

STATE REGULATION OF PUBLIC UTILITIES
REVIEW COMMITTEE

PSC SCREENING SUBCOMMITTEE

PUBLIC SESSION

April 14, 2008

9:40 a.m.

The Gressette Building
Columbia, South Carolina

YVONNE R. BOHANNON
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SUBCOMMITTEE MEMBERS IN ATTENDANCE:

The Honorable C. Bradley Hutto, Chairman
Erin B. Crawford, Esquire
The Honorable William E. Sandifer

STAFF MEMBERS:

Heather Anderson, Esquire
Nancy V. Coombs, Esquire
Jennifer P. Robinson, Esquire
Debra D. Hammond

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CHAIRMAN HUTTO: Good morning everybody. I'm Brad Hutto from Orangeburg, and I have with me Representative Bill Sandifer, Erin Crawford, and John Simmons is not here right now but may be joining at some other point. Other Review Committee members are Jennifer Robinson, Heather Anderson, Debbie Hammond and Nancy Coombs is on the staff up here.

This is a Public Service -- public hearing for the screening of candidates for the Public Service Commission seats 1, 3, 5, and the at-large seat. There are 13 candidates to be screened. Two candidates have applied for both a numbered seat and the at-large seat.

This Review Committee was created by -- from the 175 of 2004. One of the duties of the Review Committee is to screen candidates to determine whether they meet the statutory qualifications. One, a baccalaureate or more advanced degree and, two, a background of substantial duration and an expertise in at least one of the following areas: Energy, telecommunications, consumer protection advocacy, water and wastewater, finance, economics and statistics, accounting, engineering or law.

The Review Committee is also required to consider the ability, dedication, compassion, common sense and integrity of the candidates and the race, gender of the candidates and other demographic factors to ensure nondiscrimination to the greatest extent possible to all segments of the population of South Carolina.

Since we've received applications, we conducted background investigations of each including credit, law enforcement, driver's license checks. We gave a written examination to assist us in determining the level of knowledge that each candidate has with respect to substantive public utility issues, ethical constraints applicable to the Commission and the operations of the Commission.

We're here today to have further questioning of the candidates and to give them an opportunity to make any statements with respect to their qualifications and desire to serve as commissioner. Any Review Committee members in attendance will also be given the opportunity to ask questions of the candidates. The subcommittee will present its report on the candidates to the Full Committee for review and adoption.

A meeting of the Full Committee is tentatively scheduled for May the 1st. We anticipate the Review Committee will issue a report to the General Assembly on May the 5th. Candidates may not seek pledges until 48 hours after the Review Committee has issued a sufficient report. Candidates will be notified at the time that the report is officially issued.

So we want to welcome all of you who are in attendance today, and we have a long schedule because we've got a lot of candidates. So we're going try to and move through this and stay on time as best we can.

REPRESENTATIVE SANDIFER:

Mr. Chairman --

CHAIRMAN HUTTO: Yes, sir.

REPRESENTATIVE SANDIFER: -- I move that we now go into executive session to determine the manner in which we'll conduct the hearing.

CHAIRMAN HUTTO: So we move that we go into executive session, and so with no objection to -- from Erin, we'll go into executive session for just a minute.

(The PSC screening was continued under a separate restricted record.)

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CHAIRMAN HUTTO: Okay. We want to welcome you back. We're going to start off with our first candidate, Joseph Leroy Grant, Jr. Before we do that, though, I want to welcome anybody who is in the audience and in the public who are in attendance.

Just one word of caution. You're certainly welcome to be here. We're delighted to have you here, but you're not to talk to any of the other potential candidates to be screened. In other words, if you sit in here -- and you're welcome to, but we ask you not to go out and talk to any of the other candidates and tell them what the questions were or anything of that nature. So if anybody has got a problem with that, raise your hand now. Otherwise we'll assume that you're going to adhere to that rule.

10:01 a.m.

CHAIRMAN HUTTO: Okay, Mr. Grant. Good morning.

MR. GRANT: Morning, sir. How are you?

CHAIRMAN HUTTO: I'm going to turn it over to Heather Anderson with our staff because she's got some questions for you, but we'll ask the

court reporter to swear you first.

(Candidate sworn.)

MS. ANDERSON: Good morning, Mr. Grant.

MR. GRANT: Morning, ma'am.

MS. ANDERSON: Could you please give us your full name and current address for the record.

MR. GRANT: Certainly. Joseph -- I'm sorry. Joseph Leroy Grant, Jr. I reside at 8946 North Red Maple Circle, Summerville, South Carolina, 29485.

MS. ANDERSON: Thank you. Mr. Grant was born in Charleston, South Carolina, in 1974. He obtained a bachelor of science degree in business management from Hampton University in 1996 and obtained a master of arts degree in computer resource management information from Webster University in 1998.

Mr. Grant is the president and CEO of Unique Supplies and Equipment and has been since 1998. He also owns 66 percent of the company. He was formerly the manager and account manager at Unique Supplies and Equipment. He has been employed as an account specialist with Bank America Housing Services and as a manager training with Beneficial of South Carolina.

Mr. Grant is a senior steward and director of Sons of Allen at Francis Brown African Methodist Episcopal Church. He is a member of National Hampton University Alumni Association, South Carolina chapter.

Do you have any changes or corrections you'd like to make to your Personal Data Questionnaire?

MR. GRANT: No, not at this time.

MS. ANDERSON: Okay. I'd request that Mr. Grant's Personal Data Questionnaire be entered into the record with any confidential information such as Social Security Number and financial statement being redacted.

For the record I would also like to state that a credit check and a SLED check revealed no negative results for Mr. Grant. Mr. Grant has also provided his driver's license and voter registration card for proof of his residency in District 1.

Before we begin questioning, do you have a brief statement that you would like to make?

MR. GRANT: Yes. Once again, good morning to you committee members.

First I wanted to in their absence say

thank you to the current Public Service Commissioners for the service to the state of South Carolina, and I wanted to tell you a little bit about myself over the past 11 years.

As Attorney Anderson mentioned, I've been president and CEO of Unique Supplies and Equipment, Incorporated, in Charleston. During that time, it's provided me the opportunity to work with a lot of large businesses and small businesses in the state of South Carolina, and also it's afforded me the opportunity to meet a lot of individuals that otherwise I probably would not have had the opportunity to meet and interact with.

So this interaction I think has given me the experience working with large businesses, state entities, federal entities, local municipalities, and I think that that makes the experience and interaction I would be able to use with the working along with the other commissioners and Public Service Commission.

So I'd ask for your vote of confidence in me that I be able to be looked upon favorably as a candidate in your further selection process.

MS. ANDERSON: Thank you. Mr. Grant, I have a few questions for you. Why are you interested in serving on the Public Service Commission?

MR. GRANT: Yes. I'm interested on serving on the Public Service Commission because the state of South Carolina I feel has been very good to me, not only as a business employer but also as a business employee. And I feel that this is a way that I can bring and put forth some of my business experiences and share it with other -- with the people of the state of South Carolina. I think that I possess the conviction, integrity, the honesty that is necessary for a commissioner to be on this panel.

MS. ANDERSON: Have you attended any of the hearings at the Commission?

MR. GRANT: Have I --

MS. ANDERSON: Attended any of the hearings at the Commission.

MR. GRANT: No, I have not.

MS. ANDERSON: Okay. And have you read any of the Commission decisions?

MR. GRANT: I have. On the website some of the dockets that were available I did read over some.

MS. ANDERSON: And how would you expect

to get up-to-speed on the issues confronting the Commission?

MR. GRANT: I would certainly need to go back onto the website and review more of the information that is available and the past dockets available in previous cases and renderings and hearings that were available.

MS. ANDERSON: Can you please explain what the State Universal Service Fund is.

MR. GRANT: Sure. The State Universal Service Fund is a fund that is administered that allows for -- it selects funds for entities that are not -- low income entities, for -- I apologize. I'm a little nervous this morning.

MS. ANDERSON: That's all right.

MR. GRANT: It's administered universally federally. All states in this country collect this fund for -- to make up for smaller rural communities, low income communities, people that are not able to afford telecommunication services.

MS. ANDERSON: Thank you. Are you familiar with the advisory opinion issued by the Review Committee dealing with attendance at legislative receptions?

MR. GRANT: Yes, I am.

MS. ANDERSON: And have you attended any legislative receptions since receiving the opinion?

MR. GRANT: No, I have not.

MS. ANDERSON: Assume you're serving on the Commission and you are approached by someone wanting to discuss a matter that is or may become an issue in the proceeding. How would you handle the situation?

MR. GRANT: If I was approached, I -- that would fall under ex parte communication. I would not -- if that person was involved directly or indirectly, if I was on the Commission, then I would immediately report what was said, what transpired, and make sure that it was entered into the notes for the Commission.

MS. ANDERSON: Okay. All right. Please answer any questions the subcommittee members may have.

MR. GRANT: Okay.

CHAIRMAN HUTTO: What exactly does your business do?

MR. GRANT: We are a facility maintenance, sanitary maintenance, janitorial

supply, office furniture, office supply company. Redistribution center.

CHAIRMAN HUTTO: And in what geographical area does your business operate?

MR. GRANT: We cover the southeast, but we do have a couple of accounts in other states outside of the southeast.

CHAIRMAN HUTTO: So it's not just restricted to the Summerville area; it's all over the southeast?

MR. GRANT: Yes, sir.

CHAIRMAN HUTTO: How many employees do you have?

MR. GRANT: We currently have six employees.

CHAIRMAN HUTTO: And you have been the president for that business for how long?

MR. GRANT: Since January of 1998.

CHAIRMAN HUTTO: Okay. And outside of your business, what other activities have you been involved in, community, church, that type thing?

MR. GRANT: Mostly church. Occasionally I've been asked to work along, not community organizations, but I -- just whenever someone would need assistance -- I guess it would -- it would count as community service, but it's not under any particular organization, but mostly I've been active in my church.

CHAIRMAN HUTTO: Have you ever been -- served on any boards or commissions?

MR. GRANT: No, sir.

CHAIRMAN HUTTO: Any other committee members?

REPRESENTATIVE SANDIFER: Mr. Chairman.

CHAIRMAN HUTTO: Yes, sir.

REPRESENTATIVE SANDIFER: Thank you, Mr. Chairman.

Mr. Grant, let me ask you a couple of questions if I may, please.

MR. GRANT: Yes.

REPRESENTATIVE SANDIFER: Let me go back to Ms. Anderson's earlier question about USF, and I think you indicated that that's a federal fund. Is that what you were indicating to us?

MR. GRANT: It's administered through an agency that collects -- I know that every state collects the Universal Fund for -- to -- to make -- for communities that are low income or individuals in households that are not able to get telecommunication services, and also for -- if

there is a -- I wanted to say without mentioning any company name, if there are any high cost companies out there that provide those services, that the Fund is collected also to make it affordable for persons in rural areas and low income areas.

REPRESENTATIVE SANDIFER: Okay. And by your answer I'm presuming that it is your opinion that the Public Service Commission does regulate telecommunications; is that correct?

MR. GRANT: That's correct.

REPRESENTATIVE SANDIFER: What other types of functions does the PSC regulate?

MR. GRANT: The PSC regulates not only telecommunications but wastewater, water treatment, utilities, energy, railroad, and...

REPRESENTATIVE SANDIFER: Okay. That's -- you've left a couple out, but that's okay.

The other question is: How do you see the role of the Commission itself in the process of the regulatory process? Where does -- what role does the Commission itself have in that?

MR. GRANT: The Commission itself has a role -- they can initiate whether or not -- they can initiate the -- the -- I'm sorry, let me find my words. They can initiate to the ORS, the Office of Regulatory Staff, but it's the Office of Regulatory Staff that actually does the auditing, the checking and administering of the duties that the Commission finds or the Commission initiates or recommends for the Office of Regulatory Staff to look and find.

REPRESENTATIVE SANDIFER: So you're saying to me then that the PSC tells the ORS what to do, that they -- they act upon their recommendations; is that what you're saying?

MR. GRANT: No, not entirely, sir. The ORS was -- was enacted through the Act 175 of 2004. So it's a -- it's a separate entity itself from the Commission. The Commission actually is -- I would say is an advisory for the ORS. The ORS can take the recommendations of the Commission's to look into certain questions or issues that are out there, and the ORS is a separately staffed entity from the Public Service Commission.

So the Public Service Commission is more of a judiciary -- I would say judiciary committee that would oversee the regulation of the public utilities, electricity, wastewater, things

of that nature throughout the city.

REPRESENTATIVE SANDIFER: Okay. Thank you.

That's all I have, Mr. Chairman.

CHAIRMAN HUTTO: Any questions?

Okay. Thank you for coming this morning. Anything else you'd like to add?

MR. GRANT: No. I thank you for your time this morning. I appreciate you for giving me the opportunity to speak.

CHAIRMAN HUTTO: Thank you for coming.

Okay. We'll move on to our next candidate. Where are our candidates being housed?

MS. COOMBS: Debbie is going to get them.

CHAIRMAN HUTTO: Debbie is going to get them, okay.

MR. GRANT: Thank you.

(Excused from the PSC screening.)

10:14 a.m.

CHAIRMAN HUTTO: Hey, how are you?

Come on in. Have a seat right over there. We'll welcome you this morning, and we're going to ask the court reporter to swear you in.

(Candidate sworn.)

CHAIRMAN HUTTO: Have a seat right there.

MR. HOWARD: My wife Pat.

CHAIRMAN HUTTO: Okay. All right.

Jennifer has some questions for you this morning.

MS. ROBINSON: Good morning, Commissioner Howard.

Thank you, Mr. Chairman.

Please state your name and address for the record, please.

MR. HOWARD: My name is John Edward, so known as Butch, Howard. The address is 49 Smith Street, 1-B, Charleston, South Carolina, 29401.

MS. ROBINSON: Thank you. Mr. Howard was born in Columbia, South Carolina, in 1941. He is married and has five adult children. Mr. Howard received his bachelor of science degree in business administration from the University of South Carolina in 1973. Prior to receiving his bachelor of science degree, Mr. Howard served in the United States Army from 1963 until honorably discharged in 1966. He has been employed in various sales positions and was part owner of Williams & Howard. Mr. Howard currently serves on the Commission.

Mr. Howard, have you had you the chance

to -- to have the opportunity to review your PDQ?

MR. HOWARD: Yes, ma'am, I have.

MS. ROBINSON: Do you have changes or corrections that you would like to make at this time?

MR. HOWARD: No, ma'am, I don't.

MS. ROBINSON: I would request that the candidate's Personal Data Questionnaire be entered into the record with any confidential information such as Social Security Number and financial statement being redacted.

For the record I would like to state that a credit and SLED check revealed no negative results for Mr. Howard.

Mr. Howard provided his driver's license and voter registration card for proof of his residency in District 1.

According to Section 58-3-530 of the Code, the Commissioner's performance reviews must be made a part of the record for consideration if the member seeks reelection to the Commission. I would request that Mr. Howard's performance review be entered into the record.

Before we begin questioning, would you like to make a brief statement before the committee?

MR. HOWARD: Yes. Thank you for the opportunity.

I'd be remiss if I didn't say I appreciate and welcome the opportunity to serve with the Commission for the last four years. It's been a good experience. I feel like that the Commission -- we've done a lot to enhance the reputation and integrity of the Commission, and a lot of that is due to restrictions and the -- and the rules placed in Act 175.

I am proud to be on the Commission, but also I'm proud of my fellow commissioners. I think the thing that I'm probably most proud of is how each of the seven of us have been involved in a national organization. When we go to national meetings, South Carolina definitely has an impact.

Commissioner Clyburn is head of the political acts committee. Commissioner O'Neal is head of the gas committee. Commissioner Wright is head of the nuclear waste committee. Myself and Commissioner -- I'm vice chairman of the water committee, have been chairman and vice chairman of the structure committee. Commissioner Mitchell is in of course telecom. And Commissioner Mosley just

got selected to work on the subcommittee for LNG.

We do make an impact and proud to be part of that with them, and also the staff, they're a tremendous staff to work for and a pleasure to work with them. And even ORS when we deal with them, it's been a good experience and I appreciate the opportunity.

MS. ROBINSON: Thank you, Mr. Howard. Describe an ordinary workday for you at the Commission.

MR. HOWARD: Good question. Ordinary workday is Monday -- the weekends and Monday I review for the upcoming cases. Most of the time that's done at home in the peace and quiet of the home. Tuesday we have a briefing or meetings on Tuesday. I get to the House about nine o'clock, 9:30.

Anything that I've learned over the weekend -- or the Monday that I need to ask questions and advise us on that particular docket, I'll do that, any other questions. Wednesday we have -- also on Tuesday we have an agenda briefing on the Commission meeting which we do on Wednesday.

Again, if there's any questions, things -- questions on the docket, I check with the advisors or -- or the staff. Wednesday is the Commission meeting. Thursday generally the hearing. Friday is my day to sort of organize stuff we've had in the previous week in the file and that type stuff.

MS. ROBINSON: Thank you. Kind of as a follow-up to that, how do you prepare for a typical hearing, let's say an electric rate case?

MR. HOWARD: I don't know if that's a hearing. But electric rate case -- it's pretty involved, and it's depending on -- depending on whether there's a settlement or not at different -- the different cases, the different scenarios. Generally I read all the pre-file testimony and any rebuttal and surrebuttal testimony, familiarize myself with that, familiarize myself with the position.

And after I do that, generally in an electric rate case I have a lot of questions. So I will get those questions -- whether it be, you know, authorized expenses or whatever the case may be, I'll get answers to those questions, and that's basically it. We're not allowed to do our own investigations. I have to go by just what -- what is in the testimony.

MS. ROBINSON: What about your contact with Commission staff when you're preparing for a hearing or otherwise?

MR. HOWARD: Question them daily to the point that I'm probably a nuisance to some of them, yes, ma'am. Electrical is Phil Riley, and I spend a lot of time with him and also Charlie and -- Terreni and Melchers and legal staff on legal questions that I might have involved in those particular docket numbers.

MS. ROBINSON: If you were approached by someone wanting to discuss a matter that is or may be an issue in a proceeding, how would you handle that situation?

MR. HOWARD: I explain to them that I can't talk to them, and generally I'll refer it to Mr. Terreni.

MS. ROBINSON: Thank you. Are you familiar with the advisory opinion issued by the Review Committee dealing with attendance at legislative receptions?

MR. HOWARD: Yes, ma'am.

MS. ROBINSON: Have you attended any legislative receptions since receiving the advisory opinion?

MR. HOWARD: No, ma'am, I have not. Well, we got two advisory opinions, one was last years -- or year before last, and that -- that said we could include receptions that were not sponsored by a lobbyist, principal or utility regulator, and there wasn't but very few of those. I think Clyburn comes to mind. You get ten of those, and then this year we got another advisory opinion that says if we are a candidate that we attend none.

And, no, I have not attended any since that opinion.

MS. ROBINSON: Okay. Thank you. Has the job been as you expected it to be on the Commission?

MR. HOWARD: No. It's a lot more reading, a lot more involved than I thought, and it's quite a challenge, and I appreciate it and I enjoy it.

MS. ROBINSON: How do you think you've done since you were elected to the Commission?

MR. HOWARD: I think I've done well. I mean, I go by my learning curve. And -- and day one was my learning curve, I mean, it was flat zero. I mean, I virtually didn't have a clue, and someone had told me during that period of time that

it was a two year learning curve. That is an absolutely accurate statement. And about two years the learning curve starts to level out, and, yeah, I feel like after two years I've been more of an asset than a liability.

So I'm proud of that and I'm proud of my position on the water committee because it's probably one of the biggest challenges facing South Carolinians today in the industry who regulates and have fully control over the water industry. Electricity has federal agencies over that, so does telecom, so does natural gas, but water is sort of a stand-alone committee as far as national association goes and national oversight.

So we do have a whole lot of water issues in South Carolina. So by my serving on that committee I think it helps, you know, the rate payers of South Carolina and the people in particular that protect the water, and I enjoy that very much.

MS. ROBINSON: Thank you, Commissioner Howard.

No further questions, Mr. Chairman.

CHAIRMAN HUTTO: Thank you. Well, if it's as tough as you say it is, are you sure you want to do it again?

MR. HOWARD: Oh, yeah. I also said I enjoyed it.

CHAIRMAN HUTTO: Okay. Tell me what -- outside of this what other activities, church or community activities you are involved in?

MR. HOWARD: I am -- I've gotten -- I've gotten out of a lot of them because of my age and temperament, but I've been on the Boy Scout board. I've been Advertising Federation officer. I've been president of the Kiwanis Club in Charleston. I am now a member of the Lions Club in Moncks Corner and the Kiwanis Club Charleston. I used to spend some time in Moncks Corner, and that's only a once a month meeting.

Very active -- very active in the church and youth sports when my children were growing up. I was the chairman of the school board where my children went to school, coached sports, all of them for the parochial league and then for the City of Charleston leagues.

I'm seeing you and Mr. Sandifer. I am on the executive board of the Gamecocks Club.

REPRESENTATIVE SANDIFER: There it went.

MR. HOWARD: Is that what you were looking for, Senator?

CHAIRMAN HUTTO: Yeah. You didn't have to go as far as the Gamecocks.

I don't think I have any other questions.

Mr. Sandifer?

REPRESENTATIVE SANDIFER: Mr. Chairman, thank you.

Mr. Howard, let me ask you just several kind of minimally type worded questions. When you're prepping for a case and you recognize the fact that you prepare for a rate case, do you give the information provided to you by the Office of Regulatory Staff weighting in helping you to determine what the outcome of that might be?

MR. HOWARD: Oh, definitely. There are -- there are two scenarios there. One is the case is -- is not settled and ORS has that testimony. And I look at that testimony very closely. And then obviously if there's a settlement case, you know, they're part of the settlement, and so I would spend, you know, equal amount of time as that. I mean, there would be -- my focus basically is the settlement issues presented by ORS and the parties.

REPRESENTATIVE SANDIFER: Okay. And -- and with regard to the ORS, how would you characterize your relationship with the ORS and its staff?

MR. HOWARD: I would use the word excellent. I mean, it's -- my opinion of the staff and of ORS and how we deal with them and -- and the limited communication, we have them because of Act 175, but, you know, they are in the courtroom. We do see each other in conventions, but that's the only outside activity I have with them.

But, you know, I think the relationship is -- I think the relationship is excellent. There were a couple issues we were talking about with Katie Morgan at one point in time that we could do it again. She left, and so I don't know what happened to those issues, but, you know, some -- there were water related issues like having a school play or something like this that emphasized water conservation, and, you know, we were talking about maybe having a joint thing through ORS and -- and PSC. And, you know, that's basically --

REPRESENTATIVE SANDIFER: You talked about the learning curve, and quite frankly I agree

with you. I tell my constituents that when you're elected to the House, it takes you two years to learn where the coffee pots and restrooms are; then you've got to work. But describe a little bit of what you mean by that learning curve.

MR. HOWARD: There's so many issues and there's so many terms. I remember sitting here I think four years ago -- six years ago, and you asked me what an ex parte communication was, and I had to tell the committee I did not know. I guarantee I know what ex parte communication is today.

But there were -- the acronyms, there are millions of them. There are different -- different segments that we regulate have different problems, and the problems are a moving target. They change every day. Electricity, you know, I think the work in the General Assembly in the early '90s not to deregulate was the greatest thing because I'm looking at our fellow commissioners now, and now is the time to take off rate caps. And they've got electrical rates going up 70 percent in some states, and everybody is blaming, you know, the utilities commission in that.

But, you know -- but deregulation -- you know, we still have a lot to regulate, and -- and electricity, the biggest factor now obviously water regeneration. Nuclear generation set the plants apart. You know, I think -- I think all of them are talking about applying for nuclear generation. Energy efficiency is very big.

You called this the fifth -- the fifth funeral. I mean, you know, by -- by maybe conserving energy and using energy efficiency better -- and you have to study up on that. Is it right to charge customers for energy use to be more efficient hoping they would make it up on the long end by using less by charging more?

Telecom, ETC status for wireless, you know, I knew nothing about ETC status. All of that to me was et cetera. So I had to go through the whole gamut of ETC status. Telecom was actually a big thing. Water issues were, you know, vaguely familiar because water is probably a substance that's familiar to everybody. But by far the two toughest areas were telecommunication and electricity.

REPRESENTATIVE SANDIFER: Okay. One final question, if I may. You were here when we passed Act 175, as I was.

MR. HOWARD: Yes, sir.

REPRESENTATIVE SANDIFER: At that time the Commission, I think, felt a great deal of at least hesitancy about the direction that that legislation was going, and I don't mean to imply that it was opposition. I mean it as hesitancy, did we do the right thing.

MR. HOWARD: Definitely. And I don't think that that particularly is true. I mean, there are several applications that result from Act 175 that helped me personally. I mean, personally, you know, I don't have to make a decision, I mean, you know, whether something is -- appeared improper or not. I mean, there's just -- there's just no choice.

I mean, in the past -- I'm talking basically now with communication with utilities and that type of stuff. You know, there were times when you played golf with them and all that, and then you just wondered how public perception would be if you're out sitting on the golf course or some social function sponsored by, you know, anyone you regulate. That doesn't even -- that's not even happening. You know, it doesn't cross your mind.

So we don't have to worry -- or I don't have to worry about the public perception. I speak to all the Commission. We don't have to worry about the public perception of how that's conceived.

I'm trying to think of different aspects of 175.

REPRESENTATIVE SANDIFER: That was sufficient. I really just wanted your perceptive -- perspective of it.

MR. HOWARD: You asked me the time and I told you how to make a clock, right?

REPRESENTATIVE SANDIFER: Yeah. Exactly. Thank you, Mr. Howard.

Mr. Chairman, that's all I have.

CHAIRMAN HUTTO: Thank you. Any other questions?

Thank you very much for coming here this morning.

MR. HOWARD: Thank you very much.
(Excused from the PSC screening.)

10:30 a.m.

CHAIRMAN HUTTO: Good morning.
Welcome, and we'll ask the court reporter to swear you in.

(Candidate sworn.)

CHAIRMAN HUTTO: Okay. Jennifer has some questions for you.

MS. ROBINSON: Good morning, Ms. Kuntz. Please state your name and address for the record.

MS. KUNTZ: My name is Roberta Kuntz. I live at 3311 Palm Street, North Myrtle Beach.

MS. ROBINSON: Ms. Kuntz was born in Minneapolis, Minnesota, in 1957. She is married and has one adult child. She is seeking election to the Public Service Commission to either the first district or the at-large seat.

Ms. Kuntz earned an associate in arts degree in electrical engineering technology from Anoka-Ramsey Community College in 1979 and a bachelor of arts degree in international business from Metropolitan State University in 1991.

Ms. Kuntz worked as a quality assurance engineer in Minnesota at various companies between 1986 and 1998. From 1998 until 2006 when the business was sold, Ms. Kuntz operated the Seaire Inn in North Myrtle Beach as the CEO.

Ms. Kuntz, have you had an opportunity to review your Personal Data Questionnaire?

MS. KUNTZ: Yes.

MS. ROBINSON: Do you have any changes that you would like to make to your Personal Data Questionnaire?

MS. KUNTZ: No.

MS. ROBINSON: I would request that Ms. Kuntz' Personal Data Questionnaire be entered into the record with any confidential information such as Social Security Number and financial statement being redacted.

For the record I'd like to state that a credit and SLED check revealed no negative results for Ms. Kuntz. Ms. Kuntz provided her driver's license and voter registration card for proof of her residency in District 1.

Before we begin questioning, do you have a brief statement that you would like to make for the committee?

MS. KUNTZ: Yes, I would. I just want to thank you for the opportunity to serve our great state as a public servant.

MS. ROBINSON: Thank you. Why are you interested in serving on the Commission, Ms. Kuntz?

MS. KUNTZ: I feel like -- I wanted to -- I have done a lot of public service in my community and in various areas, fields, and I felt that this would be an important use of my skills

being able to serve the community as a whole.

MS. ROBINSON: Thank you. Have you attended any hearings at the Commission?

MS. KUNTZ: No, I've not.

MS. ROBINSON: Have you read any of the Commission decisions?

MS. KUNTZ: Yes, I have.

MS. ROBINSON: How do you expect to get up-to-speed on the issues confronting the Commission?

MS. KUNTZ: I expect to be reading the information that is available, that is made available to me by the staff and the counsel -- the Commission. Excuse me. And there are professional websites and things that I -- once I'll be able to get my hands on them that I'd like to read about and just be more informed of being in the area.

MS. ROBINSON: Thank you. Can you explain to me the primary purpose of the State Universal Service Fund.

MS. KUNTZ: The State Universal Service Fund's purpose -- well, originally it was the Local Exchange Company, and the State Universal Service Fund is to make revenue neutral the expenses of providing the service statewide to the customer and, like I said, revenue neutral the company's expenses.

MS. ROBINSON: What type of service?

MS. KUNTZ: Utilities. The public utilities, the electrical and gas, and trans -- well, transportation services.

MS. ROBINSON: Thank you. Are you familiar with the advisory opinion issued by the Review Committee dealing with attendance and legislative receptions?

MS. KUNTZ: Yes.

MS. ROBINSON: Have you attended any legislative receptions since receiving the advisory opinion?

MS. KUNTZ: No.

MS. ROBINSON: Thank you. Assuming you were serving on the Commission and you were approached by someone wanting to discuss a matter that is or may be before you in a proceeding, how would you handle that situation?

MS. KUNTZ: Well, I'd just inform them that I was unable to discuss this with them and probably refer them to the office.

MS. ROBINSON: Thank you, Ms. Kuntz.
No further questions, Mr. Chairman.

CHAIRMAN HUTTO: Thank you. What brought you to South Carolina?

MS. KUNTZ: Sunshine.

CHAIRMAN HUTTO: Okay. But you had basically been in the automotive industry before you moved in here?

MS. KUNTZ: I was in the automotive industry. I was in the medical industry and of course the computer industry.

CHAIRMAN HUTTO: Okay. And do you still operate the inn?

MS. KUNTZ: No, sir.

CHAIRMAN HUTTO: Okay. Are you employed right now?

MS. KUNTZ: No, sir.

CHAIRMAN HUTTO: What -- outside of when you were working or even now, what -- community and church, that kind of thing, what do you do?

MS. KUNTZ: First of all, I taught classes of course in churches, in my Catholic church, and in the school -- high school, the junior high and the middle school -- the middle school. I volunteered at the libraries. Mostly I did media services because of my skills in electronics and computer industry. Helped them set up websites and set up the computer classrooms and some --

CHAIRMAN HUTTO: Do you serve on any boards or commissions?

MS. KUNTZ: No.

CHAIRMAN HUTTO: And what -- how did you find out about the Public Service Commission and the fact that we have an opening now and are interviewing candidates?

MS. KUNTZ: The wonderful newspaper, the North Myrtle Beach Times.

CHAIRMAN HUTTO: Okay. Mr. Sandifer.

REPRESENTATIVE SANDIFER: Thank you, Mr. Chairman.

Ms. Kuntz, may I ask you a few questions. First of all, talk about the Commission itself, if you will. Tell me what entities would be regulated by the Public Service Commission.

MS. KUNTZ: The Commission sets about to carry out Title LVIII, and some of the duties are setting the rates for electric and the gas utilities and restaurant utilities, and the tap fees, and water and waste, and household and hazardous disposal companies, and to regulate and

settle disputes for modeling the industry for the people and for the utilities.

REPRESENTATIVE SANDIFER: All right. And what about telecommunications?

MS. KUNTZ: Yes, sir, of course telecommunications.

REPRESENTATIVE SANDIFER: And railroads?

MS. KUNTZ: Yes.

REPRESENTATIVE SANDIFER: Okay. And would you describe for me, please, the relationship that exists between the Public Service Commission and the Office of Regulatory Staff.

MS. KUNTZ: The -- the Commission employs or utilizes the staff to make -- to give them the information and research materials and to do the auditing and inspecting for the Commission and to report to the commissioners as -- for -- to help them run the Commission.

REPRESENTATIVE SANDIFER: Okay. So if I'm understanding you correctly, the -- the ORS works for the PSC; is that correct?

MS. KUNTZ: I think they're equal entities as I understand.

REPRESENTATIVE SANDIFER: Okay. Okay. Let's talk for a moment about the USF, and this was a question that Ms. Robinson asked you a moment ago. You indicated, if my memory is correct, that it deals with -- electric rates was one of the things that you talked about; is that correct?

MS. KUNTZ: Yes.

REPRESENTATIVE SANDIFER: Okay. Would it surprise you to know that it does not?

MS. KUNTZ: Well --

REPRESENTATIVE SANDIFER: It's all telecom. And I give you that just for information.

You also said something that intrigued me a little bit, and you said that the way that you would bring yourself up-to-speed and learn about what the PSC would do was that you would go to websites when you could get your hands on them.

MS. KUNTZ: Yes. Yes. I -- my understanding is that the information that the utilities -- the newsletters that the utilities put out are not necessarily available to the general public.

REPRESENTATIVE SANDIFER: Have you requested any of those?

MS. KUNTZ: No, sir.

REPRESENTATIVE SANDIFER: Okay. And

then the last question, in the entire regulatory scheme of things, how did you -- how would you characterize the role of the Commission itself?

MS. KUNTZ: I would say that the Commission is responsible to the -- not only the consumer but the utilities investment -- utilities to help set rates and regulate the services so that they're provided in an equal and regulated way for the consumers and providing quality --

REPRESENTATIVE SANDIFER: Okay. Do they have an investigatory role or are they adjudicatory only?

MS. KUNTZ: The commissioners?

REPRESENTATIVE SANDIFER: Yes, ma'am.

MS. KUNTZ: I would say that you are investigating as a commissioner but mostly adjudicatory.

REPRESENTATIVE SANDIFER: Thank you very much.

Thank you, Mr. Chairman.

CHAIRMAN HUTTO: Thank you very much for being with us this morning.

MS. KUNTZ: Thank you for letting me.
(Excused from the PSC screening.)

10:42 a.m.

CHAIRMAN HUTTO: Morning.

MR. McKNIGHT: Good morning.

CHAIRMAN HUTTO: Let's have a seat right there. Thank you for being here this morning, and we'll ask the court reporter to swear you in.

(Candidate sworn.)

CHAIRMAN HUTTO: Nancy has some questions for you this morning.

MS. COOMBS: Morning, Mr. McKnight.

MR. McKNIGHT: Good morning.

MS. COOMBS: Would you please state your name and your address for the record.

MR. McKNIGHT: Frank H. McKnight. 5621 Pinckney Avenue, Myrtle Beach, South Carolina.

MS. COOMBS: Mr. Chairman and members of the subcommittee, Mr. McKnight is seeking election to the Public Service Commission for either the first district or the at-large seat.

He received a bachelor of science degree in business from the University of South Carolina in 1971 and a master of arts degree in administration from Tennessee Technological University in 1977.

In his Personal Data Questionnaire he

states that he has held positions in areas involving telecommunications issues and finance, economics and statistics. From 1991 to 2007 Mr. McKnight worked for Wachovia, A.G. Edwards, IJL in a management position managing 1.2 billion dollars in assets. He holds the designation of certified financial planner.

From 1977 to 1991 Mr. McKnight worked for IBM in various management positions, including the coordination of satellite communications for the Tennessee state government. From 1973 to 1977 Mr. McKnight worked for Verizon as a communications consultant. Mr. McKnight was a captain in the U.S. Air Force in active reserves from 1971 from 1977 and received an honorable discharge.

Mr. McKnight was appointed by the Myrtle Beach City Council to Myrtle Beach's -- the City of Myrtle Beach Planning Commission and served from 1994 to 1999. And from 1991 until the present he's owned and managed 15 rental properties, all of which are single family residential apartments.

Mr. McKnight, have you had an opportunity to review your Personal Data Questionnaire?

MR. MCKNIGHT: Since I submitted it?

MS. COOMBS: Yes.

MR. MCKNIGHT: No, I haven't.

MS. COOMBS: Do you have any changes to make to your Personal Data Questionnaire?

MR. MCKNIGHT: No.

MS. COOMBS: And I would ask that Mr. McKnight's Personal Data Questionnaire be entered into the record with any confidential information such as his Social Security Number and financial statement being redacted from the Personal Data Questionnaire.

And for the record I would like to state that a credit and a SLED check revealed no negative results for Mr. McKnight.

Mr. McKnight provided his driver's license, but forgot his voter registration card. His driver's license indicates that he is a resident of District 1, and he will provide his voter registration card and -- at a future date.

Before we begin questioning, do you have a brief statement that you would like to make to the subcommittee?

MR. MCKNIGHT: Not at this time.

MS. COOMBS: Why are you interested in serving on the Public Service Commission?

MR. McKNIGHT: It's been about ten years ago I guess when I first started creating an interest in it, and I was introduced to it through a gentleman by the name of Alex Harvin, and he approached me and since I knew him personally and -- he was at that time I think serving as a representative from Clarendon County.

And at the time he kind of gave me an introduction of what it was, and he suggested to me with my background that I might want to entertain pursuing this. Well, I was actively involved in, I guess, Interstate/Johnson Lane and Wachovia at the time and didn't have the time. So when I received another letter I guess from another office, it opened the door again for me to think about it.

I reflected back over the last ten years and was thinking about how I might be able to serve this state in that capacity, and you read through some of my past endeavors in terms of my background. But more importantly I have the time and the interest to devote to something I think is very important for this state. And that is, we're faced with some extreme technological changes that we'll be facing for the next ten to 15 years, and I just felt like that I would have the ability, the time, the energy and the dedication to fill this position.

MS. COOMBS: Have you attended any of the hearings at the Commission?

MR. McKNIGHT: No, I have not.

MS. COOMBS: And have you read any of the Commission's decisions?

MR. McKNIGHT: It hasn't been recently, no.

MS. COOMBS: But you have in the past?

MR. McKNIGHT: I have in the past.

MS. COOMBS: What prompted you to read those decisions?

MR. McKNIGHT: Curiosity more than anything. To see -- I think the one I read was an individual had protested or had a problem with service in his area, and I wanted to see kind of the format of what went through in someone making a decision -- the state making a decision against a private individual on his property. And it had to do with right-of-ways, and I'm pretty sure it was a telephone service.

And I have had opportunity working for Verizon to be impacted by that from the other side of the fence. Working for Verizon they serviced a

lot of rural areas, and it was very difficult to serve sometimes an individual that lived two or three miles off of the road. It was a challenge financially and it was a challenge from the standpoint of how they could actually provide the service. So it was generated more from -- from past experience than curiosity. And I was not connected to that individual at all.

MS. COOMBS: How do you -- if you are elected to the Commission, how do you expect to get up-to-speed on issues the Commission confronts?

MR. McKNIGHT: The only way that I would have at this point in time would be to go back and review cases that were -- that are before it today and look back over a kind of selection of the individual cases over the past couple years.

MS. COOMBS: Would you explain your understanding of the State Universal Service Fund.

MR. McKNIGHT: Yes, I will. That was -- that's a fund that was created a number of years ago that could service individuals that could not -- or to supplement financing for utility companies that service areas -- rural areas, and this was a fund that was collected from everyone actually on the telephone bill, and that fund was used to help supplement rural telephone companies to service individuals that were not in the metropolitan areas.

MS. COOMBS: What is your understanding of the purpose of the regulation of public utilities?

MR. McKNIGHT: Well, it's -- everyone needs some oversight, and I think the Public Service Commission was created to provide that oversight and to provide a mechanism for both sides to come together to reach some mutual agreement on services that needed to be provided.

MS. COOMBS: And are you familiar with the advisory opinion that was issued by the Review Committee that talks about attendance at legislative receptions?

MR. McKNIGHT: Yes, I am.

MS. COOMBS: And have you attended any legislative receptions since receiving that advisory opinion?

MR. McKNIGHT: No, I have not.

MS. COOMBS: And if you're serving on the Commission and you're approached by someone that wants to discuss an issue that is either an issue in a pending matter or that may become an

issue in a pending matter, what would your response be?

MR. McKNIGHT: To that individual or to the Public Service Commission or both? Or --

MS. COOMBS: Well, you're on the Commission and somebody -- so what would your response be to that person?

MR. McKNIGHT: I would tell them that I was -- I couldn't talk to them about it, that that was something that had to be -- or if I did talk to them about it, I would have to reveal full disclosure of what our conversation was to the members of the body.

MS. COOMBS: Mr. McKnight, you state in your Personal Data Questionnaire that you own some stock in Verizon Communications, and are you aware that if you own -- that you may not serve on the Commission if you own stock in a company that's regulated by the Commission?

MR. McKNIGHT: Yes, I found that out in reviewing the information. Yes, I'm aware of it.

MS. COOMBS: So then would you divest yourself of that stock if you were elected?

MR. McKNIGHT: Yes, I would.

MS. COOMBS: Please answer any questions that any member of the subcommittee might have.

CHAIRMAN HUTTO: Good morning. You were in the Air Force?

MR. McKNIGHT: That's correct.

CHAIRMAN HUTTO: And were you in ROTC or how did you achieve ranked academy?

MR. McKNIGHT: I went through officer training school, and then I was also assigned to the Air Force academy through a -- it was a delayed enlistment program that allowed me to go through officer's training school.

CHAIRMAN HUTTO: So you enlisted right out of Carolina?

MR. McKNIGHT: That's correct.

CHAIRMAN HUTTO: And it lists that -- in here that you hold the designation of certified financial planner. Is that actually a licensed title or -- when you say hold the designation, what does that mean?

MR. McKNIGHT: The -- the title of CFP is given -- is awarded to a candidate that passes a series of tests, two days of examinations, and they cross the boundaries of finance, insurance, estate planing, wealth management. So you have to be in

financial management. So you have to be certified in each one of those categories to be awarded that designation.

The -- just to give you some indication of -- it's a national test, and the pass rate on that exam is about 50 percent.

CHAIRMAN HUTTO: How long have you held that designation?

MR. McKNIGHT: Since 2000.

CHAIRMAN HUTTO: Okay. Outside -- are you employed at the present time?

MR. McKNIGHT: No, I'm not.

CHAIRMAN HUTTO: Okay. The real estate interest that you hold, is that -- are you just the owner or do you actually manage the tenants and the comings and goings of the various apartments?

MR. McKNIGHT: The owner and I also manage the company.

CHAIRMAN HUTTO: And manage the broker, mortar, pipes and all that too?

MR. McKNIGHT: That's correct.

CHAIRMAN HUTTO: Okay. Outside of the -- is that the only real employment you have at this time is managing apartments?

MR. McKNIGHT: Yes, it is.

CHAIRMAN HUTTO: And outside of that, community and church, what are your involvements?

MR. McKNIGHT: I'm on the finance committee of our church, First United Methodist, in Myrtle Beach, and I've been active in that church since I was a child.

CHAIRMAN HUTTO: You were born in Kingstree, but you moved to Myrtle Beach early on?

MR. McKNIGHT: We -- I was three years old when we moved to Myrtle Beach.

CHAIRMAN HUTTO: Okay. Changed a lot.

MR. McKNIGHT: Yes, it has. Are you talking about Kingstree or Myrtle Beach?

CHAIRMAN HUTTO: I'm talking about Myrtle Beach. Kingstree might have changed a little bit. I'm sure it's changed some, but nothing in comparison to Myrtle Beach.

MR. McKNIGHT: That's true. I can remember when there were mostly coquina roads in Myrtle Beach.

CHAIRMAN HUTTO: Answer any questions that Mr. Sandifer may have.

REPRESENTATIVE SANDIFER: Thank you, Mr. Chairman.

Mr. Knight, several questions. I'm

going to follow up a little bit on the testimony that you've given. One of the things that you said -- and I remember Alex Harvin very, very fondly. He was a good friend of mine, so you made me reminisce a moment as you mentioned his name.

You said you'd have the time, the interest and the ability to serve on the Commission. Will you describe what that ability is.

MR. McKNIGHT: Well, I think I -- through the previous positions that I've had gives me some reference point to be able to identify from -- from a -- say, a utility standpoint is there a financial interest and the financial standings and how they might justify possibly a rate increase.

I -- that was one of the things that I did over the last 15 years is analyze financial statements of companies. So being able to -- when a case is presented to me by utility, I would be able to have a reference point to know whether or not the information they were supplying was -- was justifiable.

Also from a consumer standpoint having been on the other side of the table, I would be able to bring that reference as well to be able to balance the needs of the utility to increase rates versus the impact of the consumer and how that would kind of come into play, and having managed individuals in the past, I think I would be a very impartial and good source of impact on the seven members of the Commission to be able to come to some conclusion.

REPRESENTATIVE SANDIFER: Thank you. And you anticipated my question because I was going to ask you if your experience would give you a bias toward particularly the telecom industry, but you've answered that in the negative, so I accept that.

One of the things I noted is that you have not read any of the recent decisions. When -- when you said you had read decisions in the past, give me a time frame, if you don't mind, of generally are we speaking five years ago, ten years ago?

MR. McKNIGHT: Within five years.

REPRESENTATIVE SANDIFER: Okay. All right. And you also talk about the USF. Are you aware of a term obligation to serve?

MR. McKNIGHT: No, sir, I'm not.

REPRESENTATIVE SANDIFER: Okay. And that's what the USF really helps you to do is because certain utilities have a responsibility to serve those customers even though it may not be economically advisable.

Will you tell me -- and you mentioned a moment ago the -- I think you talked about electrical. You talked about telecom. What other entities are governed or covered by the Commission?

MR. McKNIGHT: Well, I was surprised to learn that taxi cabs were and also the transportation of hazardous material. The regulation of the certificates for the transportation industry as far as moving -- moving vans, companies that move materials and/or moving furniture, things of that nature. I was -- that had not been exposed to me in previous jobs, so I was -- so other than the utilities, I think the certificates that are given to transport vehicles to include hazardous waste.

REPRESENTATIVE SANDIFER: Okay. All right. And then two -- two final questions. One, how -- how would you characterize what you view as the role of the Public Service Commission itself, the commissioners?

MR. McKNIGHT: I feel like that their role is pretty much in a -- in a kind of a setting where they're making decisions based on information provided from -- almost like a courtroom scenario, that they would be given a situation that they would have to weigh in on on the information that was provided to them. So I think it's -- it's a -- a good portion of their work is -- is reaching conclusion, mediation between possibly a utility company and -- and an individual constituent, a user -- end user.

REPRESENTATIVE SANDIFER: Okay. Now, you talk about mediation, so I'm going to follow it up. Do they do that mediation?

MR. McKNIGHT: Does who do that mediation?

REPRESENTATIVE SANDIFER: Does the Commission involve themselves with mediation?

MR. McKNIGHT: I don't think so. I think they reach a decision based on the information provided.

REPRESENTATIVE SANDIFER: Okay. Do you know who would do that mediation?

MR. McKNIGHT: The new regulatory body that was established by --

REPRESENTATIVE SANDIFER: ORS, okay.
And that is correct. And that was the answer I was soliciting. Okay. Thank you, Mr. McKnight.

Thank you, Mr. Chairman.

CHAIRMAN HUTTO: Okay. Thank you for being here this morning.

Let me -- you're running for both the first and the at-large seat?

MR. MCKNIGHT: Yes, sir, I am.

CHAIRMAN HUTTO: And we're only going to screen you the one -- we've got to get you back in and ask you the same questions again. Do you care to make a comment as to why you're running for both seats? And it certainly is an appropriate thing to do. I just didn't know if you had a particular reason that you were doing that.

MR. MCKNIGHT: Well, the reason is is that over the last -- I looked back over the District 1 to see how many positions -- or how often that seat has become available, and in the last, like, 28 years it's only become available twice. And so, you know, I know that there was a lot of things done with the new act, the 175, and there's a lot of changes being made.

But I certainly felt like if there were two positions that was open and given the fact that I was fairly late coming to the table, that I would at least introduce myself to both. I felt like if I had the qualifications for District 1, that I would have the same qualifications for the at-large position.

CHAIRMAN HUTTO: Okay. Thank you very much.

Any other questions?

Thank you.

MR. MCKNIGHT: All right. Thank you.

(Excused from the PSC screening.)

CHAIRMAN HUTTO: I think what we'll do is since we're running right on or a tad ahead of schedule, we'll go back into executive session now.

REPRESENTATIVE SANDIFER: So moved.

CHAIRMAN HUTTO: So we'll call you back in just a second.

(The PSC screening was continued under a separate restricted record.)

* * * * *

11:20 a.m.

CHAIRMAN HUTTO: Good morning.

MS. CAMPBELL: Good morning.

CHAIRMAN HUTTO: Thank you for being

here today. We're going to ask the court reporter to swear you in.

(Candidate sworn.)

MS. ANDERSON: Good morning, Ms. Campbell.

MS. CAMPBELL: Good morning.

MS. ANDERSON: Will you state your name and address for the record, please.

MS. CAMPBELL: Nancy Sherer Campbell.
207 West Greer Street, Honea Path, South Carolina,
29654.

MS. ANDERSON: Thank you.

Ms. Campbell was born in Anderson, South Carolina, in 1964. She is married and has three children. Ms. Campbell received a bachelor of arts degree from Erskine College in 1986 and a master of business administration degree from Georgia State University in 1991. Between 1986 and 1991 Ms. Campbell was employed as a program analysis (sic) and worked as a systems analysis between 1991 and 2003 at MCI.

Since 2004 Ms. Campbell has been a sales support analyst and implementation specialist at Cass Information Systems in Greenville, South Carolina. Ms. Campbell's employment involves working on telecommunication rates and contractual agreements. Ms. Campbell stated in her interview that she would resign from her current position if elected.

Ms. Campbell, have you had a chance to review your PDQ?

MS. CAMPBELL: Yes.

MS. ANDERSON: Would you like to make any changes at this time.

MS. CAMPBELL: No. Thank you.

MS. ANDERSON: I would request that Ms. Campbell's personal data questionnaire be entered into the record with any confidential information such as Social Security Number and financial statement being redacted.

For the record I'd like to state that a credit and SLED check revealed no negative results for Ms. Campbell.

Ms. Campbell provided her driver's license and voter registration card for proof of her residency in District 3.

Before we begin questioning, do you have a brief statement that you'd like to make?

MS. CAMPBELL: Yes, I do. Good morning. I'd like to thank the members of the

Review Committee this morning for the opportunity to be here today. You're investing a great deal of time in this process of selecting candidates for the Public Service Commission and I appreciate your efforts.

In 2004 the General Assembly restructured this process to increase the number of qualified candidates for the Public Service Commission. When I saw the notification for the election for PSC District 3, I realized that I have a valuable set of experiences to offer the citizens of South Carolina as a Public Service Commissioner.

I've worked for 16 years in telecommunications, 12 years with a long distance service provider and four years in a wider view of telecommunications in telecommunications expense management. I would like to highlight my experiences over the years that I think would be of interest to you in regards to the functions of the Public Service Commission.

I worked for 12 years with MCI, Incorporated. While at MCI, I was a manager of an information services technology team that developed and supported a commercial billing application for long distance promotions. Our purpose was to gather data from all of MCI's commercial invoicing applications to determine if customers qualified for promotional discounts. If the customer qualified, we calculated the discount and/or penalties and passed them to the appropriate invoicing system for appearance on the next month's bill.

MCI's marketing team was responsible for verifying that the promotional rates were in compliance with existing tariffs filed by the FCC and the Public Service Commissions. Marketing requested new rates and tariffs as necessary. Periodically marketing's regulatory efforts required more elapsed time than our programming efforts. Our information technology team postponed moving new promotions into production on occasion until MCI received appropriate approval for the new rates or tariffs.

In the late 1990s my team was deeply involved in developing software for MCI to support the Federal Universal Service Fund and various State Universal Service Fund fees. Since our system collected usage across all MCI's commercial billing applications, we were able to calculate the Universal Service fees using the customer's overall

combined usage. We passed the charges to the appropriate billing system to appear on the next invoice and informed accounts payable of the funds that MCI billed on behalf of government agencies.

In addition to being involved with the invoicing fees that go into the Federal Universal Service Fund, we were also involved with distributing credits out of the fund. When schools and libraries added lines for Internet usage or acquired other telecom services and products, our application awarded credits to the school district, library or other qualified customer. We requested moneys from the Universal Service Fund to reimburse MCI for the credits.

For the last four years I have worked for Cass Information Systems in the telecom expense management industry. Our company helps other customers find and recover telecom billing errors. We process, pay and audit telephone invoices for Fortune 1000 companies. Industry analysts estimate that seven to 12 percent of charges that appear on invoices are in error. We pull our customers' telecom invoices into a centralized system and apply our tools to find billing errors systemically.

Our auditors compare actual rates on invoices with tariff rates filed with the FCC and PSCs. We manage disputes on behalf of our customers until carriers award appropriate credits and refunds. If necessary, we file complaints on behalf of our customers with the PSCs. My function has been in marketing, writing proposals and explaining our services to prospective customers.

My educational background includes a bachelor's degree in mathematics from Erskine College with an emphasis in computer science. Part of my Erskine experience include leadership opportunities as editor of the college yearbook and president of student government association. These opportunities helped me to develop written and verbal communication skills that I considered assets in each of my professional positions as I'm sure they will be for the Public Service Commission.

I earned a master's -- master of business administration from George State University. My emphasis was in management, and my studies included business law, accounting and economics. I have been reminded of a number of topics from my course work over the past months as

I study the functions of the Public Service Commission and issues facing the PSC.

As I mentioned before, I feel that my telecommunications background allows me to bring a valuable set of experiences to the Public Service Commission. Telecom is a challenging industry because it is ever changing, nonuniform, and includes a wide spectrum of products and services. As a member of the PSC, I would be able to separate the jargon from the issues because I can speak the language of telecommunications.

Many of the considerations necessary in establishing rates and fees for energy, water, sewer, and transportation are similar to telecommunications. The availability of these services and their rates should be comparable for all citizens regardless of the population density of their location. Since approximately one-third of the PSC cases involve telecom issues, my 16 years of telecom industry experience will give the commission a new level of understanding needed for a significant number of future decisions.

Again I appreciate the opportunity to speak to you today. I welcome your questions and the remainder of our conversation. Thank you.

MS. ANDERSON: Thank you, Ms. Campbell. I think you've answered my first question. Do you have anything you'd like to add as to why you're interested in serving on the PSC?

MS. CAMPBELL: The breadth is -- is very challenging. When I saw the opportunity, I just realized it was a way that I could apply my experiences to help the people of South Carolina.

MS. ROBINSON: Thank you. Have you attended any hearings at the Commission?

MS. CAMPBELL: Yes.

MS. ROBINSON: Have you read any of the Commission decisions?

MS. CAMPBELL: Yes.

MS. ROBINSON: If you are elected, how do you plan to get up-to-speed on the issues confronting the Commission?

MS. CAMPBELL: My first plan would be to go through the document management system, to become very familiar with all the open cases at that time, to go through the -- obviously the ORS, and as I take my notes from the document management system, ask them about things that are open, to review some other precedent cases, and then to have my notes ready before I went to the other members

of the PSC to get their opinions on the issues at hand.

MS. ROBINSON: Thank you. Assuming you are serving on the Commission and you are approached by someone who wants to discuss an issue that is before you or may be before -- may be before you in the future, how would you handle that situation?

MS. CAMPBELL: If it was a question relating to a direct open case, then I would have to refer them to the office of staff. If it was a hypothetical question of what I would I do, then I would probably give a hypothetical answer.

MS. ROBINSON: Thank you. Mr. Campbell, after reviewing your PDQ you had several electric -- electric utility and solid waste bonds. I believe you stated in your interview that if you were elected you would divest yourself of those bonds. Is that still the case?

MS. CAMPBELL: That's the case.

MS. ROBINSON: Thank you. Are you familiar with the advisory opinions issued by the Review Committee dealing with attendance at legislative receptions?

MS. CAMPBELL: Yes.

MS. ROBINSON: Thank you. Have you attended any legislative receptions since receiving the advisory opinion?

MS. CAMPBELL: No.

MS. ROBINSON: Thank you. Answer any questions that the Review Committee would have.

CHAIRMAN HUTTO: Thank you. How did you manage to get all your children the same age?

MS. CAMPBELL: That -- that was a blessing from God.

CHAIRMAN HUTTO: What -- your position at Cass now, is that your -- what is your title there?

MS. CAMPBELL: My title is a sales support analyst. The kind of activities I do are linked to marketing. I respond to request for proposals. I prepare written documents for the salesmen to use.

CHAIRMAN HUTTO: What geographic area do y'all provide services in?

MS. CAMPBELL: Nationwide.

CHAIRMAN HUTTO: Okay.

MS. CAMPBELL: Some local.

CHAIRMAN HUTTO: Okay. You're based in Greenville?

MS. CAMPBELL: We're based -- well, our telephone office is based in Greenville. Cass is in St. Louis.

CHAIRMAN HUTTO: Outside of your work activities, what do you do in the community or with your church?

MS. CAMPBELL: Okay. At church I'm involved in a number of activities with the children's department and with -- I'm actually the chairman of the personnel committee. I'm also involved in United Way in Greenville and several other community service activities.

CHAIRMAN HUTTO: Okay. I found it very interesting in answer to question 31 it said you were debt free politically. What does that mean?

MS. CAMPBELL: That I do not owe any -- what's a good word? Debt is the only word I can come up with -- to any members of the General Assembly. I haven't done them any favors. They haven't done me any favors.

CHAIRMAN HUTTO: You have no allegiance --

MS. CAMPBELL: Not at this time.

CHAIRMAN HUTTO: No hidden agendas?

MS. CAMPBELL: Right.

CHAIRMAN HUTTO: I think that's all I have.

REPRESENTATIVE SANDIFER: Thank you, Mr. Chairman.

Ms. Campbell, let me ask you a few questions. Mine may be a little more technical in nature. You referenced the Office of Regulatory Staff. Will you give me some idea of how you would characterize the relationship between ORS and the PSC?

MS. CAMPBELL: The ORS would be the first level for complaints, the first level for the public, and then the ORS would communicate the needs to the PSC if -- and then as far as preparing for trials or hearings, the ORS would give the pre-filed information to the PSC members.

REPRESENTATIVE SANDIFER: And in that hearing environment, what position does the ORS have?

MS. CAMPBELL: A support nature providing information. The hearing officers I believe are through the ORS. Then if there's any kind of questions that the PSC needs answered or researched, they get the ORS to do that investigative work.

REPRESENTATIVE SANDIFER: Okay. And in that entire context, what is the role of the Commission itself?

MS. CAMPBELL: The Commission sets the rates and tariffs. The -- the complaints may escalate up to the point that PSC needs to be involved, but the actual setting of rates is the responsibility of the Commission.

REPRESENTATIVE SANDIFER: But I -- I guess where I'm going is there's a lot more than just setting rates, and if you make that assumption, in -- in what capacity does the PSC sit?

MS. CAMPBELL: I need a little more information.

REPRESENTATIVE SANDIFER: Do they seek information, do they investigate or are they adjudicatory?

MS. CAMPBELL: More adjudicatory. The investigation would happen by the ORS. The Commission -- I mean, there are licenses that are granted, not -- in addition to the fees that they do, but is -- is there a public necessity, like in the transportation or motor vehicle area where is there a necessity for this -- for this company to exist, then the PSC would grant that license or -- or decline a license.

REPRESENTATIVE SANDIFER: Okay. When -- when you talk about the compliance and Ms. Robinson asked you a moment ago a hypothetical question, what code of conduct would govern your activities?

MS. CAMPBELL: The judicial code of conduct.

REPRESENTATIVE SANDIFER: That's correct. Okay. And that's something that I think a lot of people lose sight of is that you're covered under that judicial code.

MS. CAMPBELL: Yes, sir.

REPRESENTATIVE SANDIFER: Mr. Chairman, that's all my questions.

CHAIRMAN HUTTO: Thank you.

Any questions.

MS. CRAWFORD: Yes. You said that if somebody approached you and asked you a hypothetical question, then you would give them a hypothetical answer. What would you then do if that hypothetical issue became a real issue pending before you?

MS. CAMPBELL: Then I'd have to

politely stop and say, For the ethics of both considerations of both of us, the members of the General Assembly and myself, then we need to go to the members of ORS and let them deal with the specific situation.

MS. CRAWFORD: I have to say with three seven-years-olds -- one is about to drive me crazy, so I'm impressed.

CHAIRMAN HUTTO: Thank you very much for being here this morning.

MS. CAMPBELL: Thank you.

(Excused from the PSC screening.)

CHAIRMAN HUTTO: All right. Who do we have next? Laura Jordan Grice.

11:52 a.m.

CHAIRMAN HUTTO: Good morning.

MS. GRICE: Morning.

CHAIRMAN HUTTO: We'll have the court reporter swear you in now.

(Candidate sworn.)

CHAIRMAN HUTTO: Okay. Heather has some questions for you.

MS. ANDERSON: Good morning, Ms. Grice.

MS. GRICE: Morning.

MS. ANDERSON: Please state your full name and current address for the record.

MS. GRICE: My name is Laura Jordan Grice. 232 Spring Side Circle, Anderson, South Carolina, 29625.

MS. ANDERSON: Thank you. Ms. Grice was born in Augusta, Georgia, in 1976. She obtained a master's degree in rehabilitation science, occupational therapy from the Medical University of South Carolina in 2000. She attended Columbia College from 1994 to 1997, completed three years of prerequisite work for the graduate program, and she left Columbia College upon admission by MUSC.

Ms. Grice is currently employed as an occupational therapist and is supervisor for the occupational therapy department in Advantage Rehabilitation Systems in the Weston Group. She was employed by Interim Healthcare from 2002 to 2004 and employed by National Healthcare from 2000 to 2002. Ms. Grice is a member of the American Occupational Therapy Association and the South Carolina Occupational Therapy Association. She's a member of New Spring Community Church.

Do you have any changes or corrections that you would like to make to your Personal Data

Questionnaire?

MS. GRICE: No.

MS. ANDERSON: And to clarify, Ms. Grice, the Advantage Rehabilitation Systems and the Weston Group, are they state or local entities or is it a -- private?

MS. GRICE: They're private, uh-huh.

MS. ANDERSON: Private, thank you.

I would request that Ms. Grice's Personal Data Questionnaire be entered into the record with any confidential information such as Social Security Number and financial statement being redacted.

For the record I would like to state that a credit and SLED check revealed no negative results for Ms. Grice.

Ms. Grice, have you seen anyone this morning that's taken a copy of your driver's license and your voter registration?

MS. GRICE: No, ma'am, not yet.

MS. ANDERSON: Okay. Do you have those with you?

MS. GRICE: I do.

MS. ANDERSON: Okay. I need to get those from you as soon as we finish here.

MS. GRICE: Okay.

MS. ANDERSON: Before we begin questioning, do you have a brief statement that you'd like to make?

MS. GRICE: Oh. Yes. I've been -- I've been interested in getting more involved in the realm of public policy for a while now, and I'm really interested in this position. I promise that if I were to acquire this position that I will serve the citizens of South Carolina well and with integrity.

MS. ANDERSON: I have a few questions for you.

MS. GRICE: Okay.

MS. ANDERSON: Why are you interested in serving on the Public Service Commission?

MS. GRICE: Well, like I said beforehand, I'm very interested in becoming more involved. You know, my heart is in healthcare. I've been in healthcare for eight years, but I've always wanted to become more involved in my community and the regulation associated with my state and becoming involved -- totally involved in serving the citizens of South Carolina, and I think this would be a great way to do that.

MS. ANDERSON: And have you attended any hearings at the Commission?

MS. GRICE: No.

MS. ANDERSON: Have you read any of the Commission decisions?

MS. GRICE: Yes. I've read whatever has been available to me on the website.

MS. ANDERSON: Okay. How would you expect to get up-to-speed on issues confronting the Commission?

MS. GRICE: Well, I know just the vast amount of reading I've done in the last few months, and I expect to continue that even at a more accelerated rate if I were to acquire this position. I mean, I realize that it would be a learning curve for sure, but I'm -- I'm able to do the research and I think I have the ability to apply that knowledge practically.

MS. ANDERSON: Are you familiar with the advisory opinion issued by the Review Committee dealing with attendance at legislative receptions?

MS. GRICE: Yes.

MS. ANDERSON: And have you attended any legislative receptions since receiving that opinion?

MS. GRICE: I have not.

MS. ANDERSON: Assume that you're serving on the Commission and you're approached by someone wanting to discuss a matter that is or may become an issue in the proceeding. How would you handle that situation?

MS. GRICE: I would tell them at this time I would not be able to discuss that subject with them.

MS. ANDERSON: Okay. Please answer any questions that the members have.

MS. GRICE: Okay.

CHAIRMAN HUTTO: I don't think we've ever had an occupational therapist sit on --

MS. GRICE: Probably not.

CHAIRMAN HUTTO: So being that you don't have any specialized knowledge in the areas that you would be dealing with, do you think that's a benefit or a handicap?

MS. GRICE: Actually I really try to think of it more as a benefit. I think I'm coming in with a pair of fresh eyes. I don't have any particular biases either way. I think I've got the ability to research and learn what I need to learn to make educated decisions, and I think more than

anything this is a job about ethics, and it effects every citizen in the state of South Carolina, as we know, and, you know, I want to a fair and reasonable representative when I'm in South Carolina.

CHAIRMAN HUTTO: How did you find out about the position?

MS. GRICE: Like I said, I've been interested in doing something more than in the realm of public policy, and I've just -- I've been watching it for a while and saw that it was open on the Internet and I applied.

CHAIRMAN HUTTO: Okay. Outside of your -- do you work at two jobs?

MS. GRICE: I do. Neither one of them are full-time positions.

CHAIRMAN HUTTO: Okay. All right. Outside of your work, what do you do in the community or with your church?

MS. GRICE: I'm very involved in my church. I co with the home group which is like a -- a study within my church for probably about 20 people and their children. I do that and I'm also beginning to work on what they call the care team which works specifically with people who are going through a hard time physically, emotionally, whatever, people are hospitalized, people who have new children or have illness in their family, reaching out to them.

CHAIRMAN HUTTO: Have you ever served on any boards or commissions?

MS. GRICE: No, I have not.

CHAIRMAN HUTTO: Okay. Representative Sandifer, do you have any questions?

REPRESENTATIVE SANDIFER: Thank you, Mr. Chairman.

Ms. Grice, I'm from your area.

MS. GRICE: Oh, yeah?

REPRESENTATIVE SANDIFER: Yeah, I'm from Seneca.

MS. GRICE: Oh, okay.

REPRESENTATIVE SANDIFER: It's good to see you all the way down here in Columbia. It's amazing.

MS. GRICE: Thank you.

REPRESENTATIVE SANDIFER: Let me ask you several things, and I'm going to follow up on what the chairman just asked about. Healthcare, the role of the Public Service Commission is a long, long ways from healthcare.

MS. GRICE: Uh-huh.

REPRESENTATIVE SANDIFER: What would qualify you most in making that transition?

MS. GRICE: I think probably just my experience in working in areas. We all know healthcare is very, very highly regulated. I've had to work in the -- within the regulations and the limitations of Medicare, Medicaid, private insurance, and I've learned how to operate well and do my job well within those limitations, and I think that benefit would carry over to this area.

And then it would just be a matter of I think getting all the information that was pertinent to the position -- I mean, to the issue at hand and being able to apply it in an ethical way.

REPRESENTATIVE SANDIFER: Okay. And a moment ago you said more than anything else that this job is about ethics.

MS. GRICE: Uh-huh.

REPRESENTATIVE SANDIFER: So I'm going to follow up and ask you, what is the role of the Commission?

MS. GRICE: The role of the Commission is to act as an intermediary between the consumer and the provider to be sure that both the consumer and the provider are treated reasonably and fairly as far as rate increases and regulations with public utilities.

REPRESENTATIVE SANDIFER: Okay. And in that regard what is the role then with the Office of Regulatory Staff?

MS. GRICE: The Office of Regulatory Staff generally conducts the inspections and the audits for the public utilities, and then the -- the role of the Public Service Commission would be kind of like a -- a court for these cases in that -- where you would be able to hear the issues and make decisions.

REPRESENTATIVE SANDIFER: So are you telling me then that the PSC is not responsible for the investigation or is it responsible for it?

MS. GRICE: My understanding is that it is not.

REPRESENTATIVE SANDIFER: Correct. Dead on. A lot of people don't understand that.

Can you tell me a little bit about the USF? Do you know that term?

MS. GRICE: I'm sorry, I don't.

REPRESENTATIVE SANDIFER: Universal

Service Fund.

MS. GRICE: Oh, okay. Yes. USF was a fund that was established to try to provide basic telephone service to the citizens of South Carolina who maybe for whatever reason -- lower income or mostly out in rural areas from my understanding to provide them with the basic telephone service that they need.

REPRESENTATIVE SANDIFER: Okay. And one final question. You talked about the ethics and what your response would be whenever Heather asked you a question.

MS. GRICE: Uh-huh.

REPRESENTATIVE SANDIFER: How would you govern yourself as to your behavior were you a member of the Commission?

MS. GRICE: If someone did impart to me some communication that --

REPRESENTATIVE SANDIFER: Yeah.

MS. GRICE: I think that I would immediately contact probably somebody on the committee council and let them know that I had been, you know, privy to this information. You know, if I had the opportunity to stop the communication, obviously I would do that.

REPRESENTATIVE SANDIFER: Okay.

MS. GRICE: And if I found after the fact that I had been exposed to some ex parte communication, I would --

REPRESENTATIVE SANDIFER: Would the Code of Judicial Conduct apply to it?

MS. GRICE: Yes.

REPRESENTATIVE SANDIFER: Okay. Thank you. That's all I have.

Thank you, Mr. Chairman.

CHAIRMAN HUTTO: Thank you for being here this morning.

MS. GRICE: Thank you very much.

CHAIRMAN HUTTO: I think what we're going to do now is break for lunch. Is that -- and we may try -- if we can get some calls in to the folks in the afternoon and move them all up by -- between a half hour and 45 minutes, so we might be able to start back a little bit before 1:30 you think or is your lunch that substantial that we're going to need an hour and a half?

MS. HAMMOND: No.

CHAIRMAN HUTTO: All right. We will adjourn then -- or recess then until approximately one o'clock.

(A lunch recess transpired.)

1:03 p.m.

CHAIRMAN HUTTO: Good afternoon.

MR. MITCHELL: Hey, how are you doing?
How are you doing, Mr. Chairman?

CHAIRMAN HUTTO: Thank you for being here. We recognize -- we've got some performance evaluations that should have gone in the record for Mr. Howard, so we need to move to amend the record to add his.

REPRESENTATIVE SANDIFER: So moved.

CHAIRMAN HUTTO: Thank you. We'll also add your performance evaluation to the record. We ask that you be sworn by the court reporter.

(Candidate sworn.)

CHAIRMAN HUTTO: All right. Nancy has some questions for you today.

MR. MITCHELL: Okay.

MS. COOMBS: Good afternoon,
Mr. Mitchell.

MR. MITCHELL: How are you doing,
Ms. Coombs?

MS. COOMBS: Would you please state your name and address for the record.

MR. MITCHELL: My name is Randy Mitchell, and I reside at 2031 Hollywood Road, Saluda, South Carolina, 29138.

MS. COOMBS: Mr. Chairman and members of the subcommittee, Mr. Mitchell states in his Personal Data Questionnaire that he attended Spartanburg Methodist Junior College from 1968 to 1970 and received a bachelor of arts degree in physical education with a minor in English from Lander University in 1972.

Mr. Mitchell has been a member of the Public Service Commission since 1988. And from 1987 until 1998 he was a probate judge in Saluda County, a probate judge --

CHAIRMAN HUTTO: Is that '88 or '98?

MR. MITCHELL: I believe that's '98,
Ms. Coombs.

MS. COOMBS: I'm sorry. Did I say '88?

MR. MITCHELL: Yes. Yes, I believe you did.

MS. COOMBS: Okay. '98. Sorry.

MR. MITCHELL: I feel like it's been quite a while. Maybe not that long.

MS. COOMBS: And you weren't a probate judge during that time. So you were a probate judge between 1987 and 1998.

MR. MITCHELL: That's correct. That's correct.

MS. ANDERSON: And from 1981 to 1987 Mr. Mitchell was a part-time member of Saluda County Council.

MR. MITCHELL: Right.

MS. COOMBS: From 1972 to 1987 Mr. Mitchell was self-employed as a farmer, and he has also invested in and managed rental property and real estate. Mr. Mitchell continues to own a beef cattle farm and rental property which his sons manage on a day-to-day basis.

MR. MITCHELL: That's correct.

MS. COOMBS: Mr. Mitchell, do you have any changes or corrections that you need to make to your Personal Data Questionnaire?

MR. MITCHELL: It sounds like everything is fine, Ms. Coombs. Thank you.

MS. COOMBS: I would request then that Mr. Mitchell's Personal Data Questionnaire be entered into the record with any confidential information such as his Social Security Number and financial statement being redacted.

And Mr. Mitchell provided -- oh. I'd also like to state that we did a SLED check and credit check and have no negative results from -- from those checks and driver's license check.

Mr. Mitchell provided his driver's license and voter registration card and -- for proof of his residency in District 3.

And, again, we've made your two evaluations that you've received from the Public Utilities Review Committee a part of the record as required by Section 58-3-530 of the Code.

MR. MITCHELL: Thank you very much.

MS. COOMBS: And before we begin questioning, do you have a brief statement you'd like to make?

MR. MITCHELL: I do. I'd like to thank the committee and I certainly thank the state of South Carolina for allowing me the opportunity to serve on the Public Service Commission for ten years. I've seen quite a bit of changes. Along with two other members that went on in 1998, we lived through the other side of the PSC and the side of -- Act 175. So I have the privilege of serving as chairman of the Public Service Commission as Act 175 came in and would hope that we have carried out all the wishes of the General Assembly and -- and Act 175. We certainly did our

best.

I served as chairman, as we had -- some people lost they jobs and had to be -- were transferred to the Office of Regulatory Staff, but I can tell you today and seeing both sides it's worked beautifully. With the legislature's wisdom and Act 175 I think it couldn't have been a better thing for the Commission, and I feel very comfortable serving now in the role of -- under the Judicial Code of Conduct as we now serve.

I think it's really helped the Commission stay apart from the -- from the parties bringing the cases, and it allows us to really focus all of our time to studying the cases and studying the direct testimony and all the testimony provided to make good decisions. And happy to say that in the last couple years we've been upheld by the Supreme Court twice, so -- and I feel very good about that.

That's all I have at this time.

MS. COOMBS: Mr. Mitchell, would you describe an ordinary workday for you.

MR. MITCHELL: Ordinary workday, generally speaking, as you well know, Tuesday, Wednesday and Thursdays we generally have hearings scheduled. That's not all, but some large hearings when we come to electric companies and other companies, we go sometimes -- we have went all five days.

Generally Monday and Tuesday I spend my time -- Monday we start getting the agenda for the next week, start studying that agenda, and then I usually have a session with members, advisors, our advisory staff, the legal staff. Three of us meet together generally on Tuesdays, not always the same three, but a lot of times it's the same three, and we go over the agenda for the Wednesday hearings or Tuesday, if we happen to have it on Tuesday. Sometimes we have that agenda meeting on Monday. So the days that we aren't spent -- that haven't spent in hearings, Tuesdays, Wednesdays and Thursdays are in preparation for those hearings.

And it's really working real well. There -- once again, I had the privilege and honor to serve as chairman, and when we brought most of the new staff in -- and I can truthfully say -- say here today that we have great staff at the Commission and we have real good advisors who have had business experience. And I think that helps a great deal because they've actually been

transformed from the industry that we now regulate. So they can certainly tell us a lot of insights that we might have -- maybe have not been privileged to before.

Everything -- I want to say because I've served with different groups, I've never served with seven people that would get along to get along, and the fact is we disagree but yet we can leave a meeting and come back the next day and talk about our differences and move forward, and that with seven people I can tell you really makes a big difference.

And I would hope that along with the general wisdom of the General Assembly that -- it's applied some wonderful legislation that has been passed, Base Load Review Act, a lot of different acts that have helped the Commission in rendering those decisions, and it gives us an opportunity to follow y'all's leads and make better decisions. And it's certainly going to be critical -- very critical for the future of how we handle the coal emissions.

Certainly a key issue in our state, as you all know, how we going to handle -- handle that tax and keep these rates in line with the other countries, how much dependent we are on coal in the state as far as our electrical needs. And that's going to be a big factor in how we go from here as far as the new acts that are being improvised for us to follow.

But the normal working period of days of the Commission, with me it's generally five days, and when I'm not there, I'm on the computer. And we've been provided with very good technical staff, and that's one other thing that I want to thank the committee in its wisdom prior. Our technology at the Commission is being patterned all over the United States.

As we go to NARUC and attend NARUC meetings, once they get on the Internet and view out the Internet and how well the attorneys can come forward and pick up anything we are doing, what -- what needs to be done in their case -- everything is over the Internet, and it's just working beautiful. And we have many, many states now that are patterning after ours, so it makes you really feel good when you go to NARUC and talk to these other commissioners.

And let me tell you this. 175 is famous throughout the United States because a lot

of people now are looking at revising the Commission, and it speaks very well of the General Assembly and their wisdom in implementing this plan. And I hope that we are following up on it to try to do our part and make it work.

MS. COOMBS: Could you give members of the subcommittee an idea of how you prepare for a hearing such as a electric rate case.

MR. MITCHELL: Yes. Generally speaking, we try to start ahead. We have a schedule of events, and then we also have an agenda that says what's down the pipe two, three weeks ahead. So if you know you have a large hearing coming up, if all the documents have been filed, we start immediately. It might even -- not even be that next week. It might be two, three weeks in advance, if we can, to start studying all the information that is provided to us.

Certainly the direct testimony as it flows in is -- is gone over tooth and nail, and the surrebuttal testimony and as the witnesses go back and to. So we know an awful lot about a case before it's time for us to sit and hear the case. And that's very good.

We feel like -- I'll mention our staff again. Some of the technical advisors we have -- we have some people that have worked in the industry 15, 20, 30 years that work for these companies, and they now advising us, and it really, really gives us a great insight. And what -- our legal staff is just -- I just can't say enough for those guys and how they keep the Commission focused on what is legal, what is not legal, what we can do.

And as far as having the meetings together with three people and three people and then some -- and generally one goes by itself. We do that always. We try to always abide by the rules, and I feel so good, as I mentioned earlier, that so many of the cases are now being upheld by the Supreme Court. It really makes you feel good. It really makes you feel like you're writing good orders, and I think we are.

MS. COOMBS: So those three people -- you're talking about three commissioners meeting with --

MR. MITCHELL: Three commissioners generally meet with the staff, and the staff will generally be comprised of two or three staff attorneys. You -- if we are going to hear a

case -- electric case, we certainly have our electric advisors there, and they -- by the time we meet we've already read the agenda, so we know exactly what's coming up. So most of the commissioners already have questions they can ask at that time. So we have a lot of questions, and if they don't have the answer there, they certainly get the answer for us very quickly.

So generally it's three people, and as the law states, we can't have a majority. So three people meet, and then, generally speaking, that next -- that same day three others will meet and then one will meet. And it's not always the same members. Different -- different ones of us live in different parts of the state. If some are way off, a lot of times they'll schedule their meetings together just because they can arrive generally at the same time and all. But it really works good. In fact, I enjoy not having the same three all the time because you get a little different perspective.

And after we have that meeting, then I have to see another commissioner and just simply get some thoughts on how he might be thinking on things. So we intermingle then in between time before the hearing starts, and then once the hearing starts, certainly with good legal advice and all that we have, it's very easy to follow the hearing, and sometimes two of us might go out to lunch and talk some about the case, and just among our commissioners. And that all helps.

And as I stated earlier, the main thing that I'm so proud of is with seven people is that we certainly don't agree all the time, but we leave a room still friends and ready to start back work the next day, and I think that's a very positive thing because you can always learn from somebody else they -- their thinking.

And we have good people, but we also have good business people. Most all the people on this commission now have run their own businesses and have been successful, and I think that's the kind of people you need making decisions about, you know, what might effect our economy in the future.

MS. COOMBS: And other than meeting with staff as you just described, do you have any other contact with staff?

MR. MITCHELL: Oh, all the time. If I -- any time that I have a question, there's always staff available as you're reading. You

might be in the car and thinking of a case coming up. If I have a question that pops in my mind, I readily know how I can get a hold of the staff's cell phone, and certainly that's the first call I make. I always intermingle with staff continuously.

MS. COOMBS: And could you just explain generally how the Commission regulates investor owned electric utilities.

MR. MITCHELL: Certainly. We -- as you know, under the Act 175 as it was introduced to the -- to the Commission and to the state, Act 175 states as one of its missions that economic progress has got to be considered also, and the economic conditions of the state and how industry is going to survive.

And, you know, as you become a member of the Public Service Commission and you continue to serve, the companies that we regulate, huge companies, employ thousands of people, and -- and if this commission doesn't see fit to keep that AAA bond rating low where these companies can go out and borrow money cheap -- and that's one of the most important -- as you look around at other states like California, you see how they got in trouble trying to hold the limit so on spending that the companies wasn't -- weren't allowed to build for the future, to prepare for the future. And I think we've done that in South Carolina. We have prepared.

So I think my key thing is seeing that these companies have the ability to operate and particularly on the electric unit, and I -- and the way things are headed now that they are able to look to the future 15, 20 years from now, we can't be thinking about what we're going to do next year. We've got to be thinking about 20 years from now. Thank God that South Carolina is growing. We -- we have people moving in from everywhere.

I served, as you stated earlier, 12 years as a probate judge. In Saluda County the development was unreal around the lake. People moving in from North Carolina, South Carolina. Now coming back from Florida to South Carolina. The growth potential is amazing.

In fact, we went to a seminar a couple months ago, and it was brought out at that seminar that 42 percent in the year -- in 15 -- in about 20 or 30 years, 42 percent of the people in this country is going to live in the southeast, and that

is hard to believe, but that's a number that kept appearing over and over to us. So if we're going to grow like that, we've got to allow these companies to progress and build for the future.

And the coal emissions is such an important thing now as -- read the article with the chairman appearing on ETV and speaking about what -- what -- how important the coal emissions is going to be for this state, how are we going to survive with the taxes some of the states and California are trying to put on us.

We've got -- we've got to really plan for that because, as we know, nuclear in my opinion -- humble opinion is certainly the cleanest, best way to go, but we're probably 15, 20 years away from nuclear. And in that period of time coal is going to have to carry us, and natural gas is probably going to have to carry us. And we have to look at every means possible, particularly with the growth potential I mentioned earlier, how are we going to keep this going.

And I think with the wisdom of the General Assembly with the legislation that has been passed, they're preparing us for that, and we as the Commission want to follow through and allow these company -- at not the expense of the consumer. And where I come from -- you know, I represent a lot of rural area, and rural people are very important to me.

And even on the telecom committee -- luckily I just got appointed as a joint member with the FCC to help bring broadband to the state. It's a committee that I'm very proud of, and it's particularly aimed at bringing broadband to the rural areas. So only three commissioners from the neighborhood were appointed to serve jointly now with the FCC Commission. I'm proud to be one of those and I'm proud that the president of NARUC saw fit to appoint me to that position. So I hope that I will be able to help with those type things in the future.

But as far as how we actually do cases, the most important thing to me is having good testimony in the record. If you don't have good testimony in the record, accurate testimony that you can hang your hat on, then you can't write a good order at the end to -- to provide others why you made that decision, and I'm happy to say that we get that at the Commission now. We -- we get companies that bring in good information and supply

us because it's just -- it's just impossible -- I lived back in those years when it was -- when sometimes we did get some court cases overturned and see now that you have to have the factual evidence, one through 810 stating exactly why you make a decision.

The Court doesn't want to know, Hey, I think that decision is okay. You better be able to tell them that and you better be able to back up every word that you're writing in that order. So that is what I think is most important in learning how these companies operate and familiar -- it took me two, three years to even start to -- to learn the job as a Public Service Commissioner.

You have to serve there. You can read all you want to, but until you go through the day-to-day routines and learn the ins and outs of these companies and trying to balance that with keeping residential rates in line, you have to be there, and you have to be there every day and pick up a little bit each day. That's been my thoughts.

MS. COOMBS: If you were approached by someone wanting to discuss a matter that is -- is at issue in a pending proceeding or that may become an issue in a proceeding down the road, how would you handle that situation?

MR. MITCHELL: Well, I'd certainly be the first to tell them that I am not going to participate in any kind of ex parte communication prior to a hearing, during a hearing, and our rules state that as long as that case is still under appeal we can't say anything.

So my -- my point to them -- I would point them to the direction of the Office of Regulatory Staff because they are now a party to every case, and the Office of Regulatory Staff is the party that brings the case to us. All we can do now in the judicial code of conduct is sit there and hear the -- hear the evidence that's been brought before us and try to make a rational decision.

So I would point them to Office of Regulatory Staff first. I would also point them to Mr. Terreni who is our head, and I'm sure he would direct them exactly where to go. So we've got -- we've had a common practice at the Commission, when in doubt, you call Mr. Terreni, and he usually steps forward and he takes care of it from there.

MS. COOMBS: And are you familiar with the advisory opinion that was issued by the Review

Committee dealing with attendance at legislative receptions?

MR. MITCHELL: I have to say this since I made that last comment. I have my wife with me and sometimes I've attempted to call Mr. Terreni before I have an argument with her.

But the -- certainly I understand the policy now with attending any type of gathering at night that's sponsored by anyone that we regulate. I understand -- I think in my -- my opinion it's best that we stay away from all of them. In fact, at the Commission, you know, I believe the law states that we probably should -- that we shouldn't attend any that we regulate.

We've even went further than that under Mr. Terreni and the lawyers there. We've decided not to go to any so -- so we can stay completely clean. So I think we followed that policy, and I'm proud to say that I believe all the commissioners are abiding by the policy.

MS. COOMBS: So -- so have you attended any legislative receptions since you received that advisory?

MR. MITCHELL: I have not.

MS. COOMBS: I believe you've answered this question, but I'm going to ask it again in case --

MR. MITCHELL: Okay.

MS. COOMBS: -- it's a different way than what you discussed it a few minutes ago.

You served on the Commission before before Act 175 --

MR. MITCHELL: Right.

MS. COOMBS: -- was enacted and after.

MR. MITCHELL: Right.

MS. COOMBS: So if you go back to the way it was pre-Act 175, was the job what you expected it to be at that time?

MR. MITCHELL: It was. It was. And let me say I enjoyed the job. We handled complaints then. We handled a lot of complaints. Being a probate judge and being a former member of the county council, complaints was something I did a lot. And when it came to the Public Service Commission, I can assure you that it didn't -- it didn't let up a bit.

And the thing I felt honored to do was that little old lady that lives out in the country that can't talk to anybody, she had to write to call the commissioner, and we could help her. But

let me say this. It was wonderful to help her, but I still feel that in the eyes -- that I see both ways.

The General Assembly was very wise in approving Act 175, and keeping the Commission away from anything that could normally come before the Commission -- you don't think about those things at that time, but any of that correspondence prior could have arisen later to a full-blown hearing, and then each person there would have to recuse themselves and -- that participated. And it's better to be away from it.

We had what we used to call a Chinese wall. We were doing the best we could. Let me -- let me say that now also. During those times -- I'm still proud of the job the Commission did back -- back when we had what we call the Chinese wall. We tried to do the best we could.

And along with the legislature's wisdom again, the rates in the state are in the middle of the southeast, and the southeast is some of the lowest in the country. So I'm proud of the job this commission has done for years, but I will say it's cleaner how we do it now, Ms. Coombs.

MS. COOMBS: Okay. My next question was going to be how has it changed since the passage of Act 175. I think you described that pretty well.

MR. MITCHELL: Well -- and it has changed, and I think it's changed for the best with all the parties involved because it just -- it keeps us at a distance that we can make good decisions, and our only job should be looking at the evidence that's before us and making a decision on it, and it's certainly done that.

MS. COOMBS: How do you think you've done as a commissioner?

MR. MITCHELL: I hope I've done well. I've tried to do the best I could. I always enjoyed helping people. Any time I could help people and feel like I've accomplished something, that's very rewarding for me.

My fellow commissioners elected me chairman, and as I told you, I went through chairing Act 175 and implementing it. And I always tried to work very closely with this committee, and I think Mr. Couick who appointed me here would attest to that. Always tried to keep him informed as to what was going on with the Commission prior to doing the implementation of 175 and after.

So I feel very good about the job we've done, and I say we because I'm very proud to serve with all -- all the commissioners that I've served with. I think they all have good intentions and were honorable people.

MS. COOMBS: Mr. Chairman, that's all the questions I have. Please answer any questions that members of the subcommittee might be.

MR. MITCHELL: Certainly.

CHAIRMAN HUTTO: Mr. Commissioner, on your statement of economic interest, there are some events that you attended at the NARUC meetings. You serve as -- what is your position at NARUC?

MR. MITCHELL: I'm a member of the telecom committee. I'm on several joint boards with the FCC too, and I'm also on a board that acts for a critical infrastructure that's a board of the -- that we have a special division in NARUC, critical infrastructure, and I go to those meetings and report to the telecom committee.

CHAIRMAN HUTTO: When you listed them down -- and I know Commissioner Howard did the same thing -- you listed \$50. Is that what y'all -- what you have to pay, or what does the \$50 relate to?

MR. MITCHELL: Well, generally if I do attend anything that I'm, you know, not comfortable with at all, I do pay that, yes. And that's generally what's applied that it can do legally.

CHAIRMAN HUTTO: Okay. So that's really the meals or whatever you might get?

MR. MITCHELL: Yes, sir.

CHAIRMAN HUTTO: I got you. I got you. All right. Now, do you have any day-to-day operations now as a farmer or that's totally to your family?

MR. MITCHELL: Almost entirely -- I have two sons. One just graduated from college, and I have one that's in the eleventh grade, and thank the Lord that they there most -- around, and they run my business. Now, you know, I will say on weekends -- I'm still there, but my time is fully devoted to the Public Service Commission during the working hours and working week.

CHAIRMAN HUTTO: Okay. The same thing with your rental -- what kind of rental properties do you have?

MR. MITCHELL: I have some mobile homes, and I also have some houses, and I buy and sell houses.

CHAIRMAN HUTTO: Okay. But both -- as far as the working out the details of the lease, if the water pipe breaks or whatever, that's --

MR. MITCHELL: Oh. I have three people that work full time.

CHAIRMAN HUTTO: Okay.

MR. MITCHELL: Full-time salary, yeah.

CHAIRMAN HUTTO: In addition to your work at the Public Service Commission, what kind of activities are you involved in in the community with your church or work?

MR. MITCHELL: Oh, church -- church activities, I'm a deacon at my church, Hickory Grove Church, a Christian church, and I serve as president of the local Ruritan Club and have been involved in the Lions Club, and sort of getting involved in the American Legion organization now some.

CHAIRMAN HUTTO: Okay. So this will be your -- you'll be running for a third full term?

MR. MITCHELL: That's correct. I went on in '98, and, you know, we had the lapse there when Act 175 was coming in and I actually -- we actually served a year or two longer.

CHAIRMAN HUTTO: Okay. You're not tired of it yet?

MR. MITCHELL: I love it. I love it, and I appreciate the opportunity that's been afforded to me because I feel like it's a part in the growth of this state, and things like that excite me.

CHAIRMAN HUTTO: You think you're becoming a better commissioner every year?

MR. MITCHELL: Certainly do. Hope to. Hope so. We better be for the next few years ahead, I can tell you, because it's a lot of tough decisions going to have to be made in the next -- next few years.

CHAIRMAN HUTTO: Okay. Answer any questions Mr. Sandifer may have.

MR. MITCHELL: Certainly.

REPRESENTATIVE SANDIFER: Thank you, Mr. Chairman.

Mr. Mitchell, how are you?

MR. MITCHELL: Fine. How are you doing, Mr. Sandifer?

REPRESENTATIVE SANDIFER: I'm fine. Several questions, and mine will be more about the operations of the Commission itself.

MR. MITCHELL: Yes, sir.

REPRESENTATIVE SANDIFER: You talked about the cases that were heard at the Supreme Court and upheld.

MR. MITCHELL: Yes, sir.

REPRESENTATIVE SANDIFER: If you had to categorize the opinions of the Commission as a whole, not just those --

MR. MITCHELL: Yes, sir.

REPRESENTATIVE SANDIFER: -- but all of them, what percentage of them would you say are unanimous opinions?

MR. MITCHELL: We have quite a few, Representative Sandifer. However, we -- we don't always have, but percentage-wise we probably have, you know, I would probably say 80, 85 percent.

REPRESENTATIVE SANDIFER: Okay.

MR. MITCHELL: But we do have differences. Now, that's not to say that even though we vote 7-0 that we haven't had a lot of exchange -- as you're certainly well aware in the General Assembly, a lot of exchange on both sides prior to that. Nobody agrees to start out with.

REPRESENTATIVE SANDIFER: And -- and following up on that, you talked about the meetings that you have with the advisory staff to help you reach conclusions.

MR. MITCHELL: Yes, sir.

REPRESENTATIVE SANDIFER: Are -- am I correct that the different ones of the members of the Commission have areas more of expertise than another member might have?

MR. MITCHELL: Absolutely. And I'm glad you brought that up. I serve on the telecom committee. We have our chairman. Chairman Hamilton is chairman of the gas committee. We have Mr. Wright who is serving on the -- with the actual nuclear industry committee, the infrastructure committee. And we have Commissioner Flemming and Commissioner Clyburn both serve on the electric committee, and Commissioner Howard serves on the water committee. So we try to do that. That's by design that we feel like that it's good for each one of us so we can bring things back to our state when we have meetings at NARUC when they are deeply involved in discussion.

And let me say, I haven't said anything about water, but water is going to be as much as a problem as anything we're going to be facing in the future, and it already is. You know by the hearings we've had up in your area. So it -- we

feel like it's best to sort of venture out and let each person pick their part that they interested in, but it should be something separate from each.

REPRESENTATIVE SANDIFER: Okay. Let's talk for a minute about the Base Load Review Act.

MR. MITCHELL: Yes, sir.

REPRESENTATIVE SANDIFER: And I think one of the utilities has already filed --

MR. MITCHELL: That's correct.

REPRESENTATIVE SANDIFER: Tell me just very quickly, how is that act working? Is it working the way I think that we intended it to?

MR. MITCHELL: I think it's going -- I think it's going to work. I think -- the part I like about -- you pick a happy median in that 50 point range above and below, and to get to that -- that par of common equity, that is what I like about that, and the -- it flows into the Natural Gas Act as part of that.

But the Base Load and the Natural Gas, I think it's going to work beautifully. I think there's a lot there that we can use for the future and different from the way we used to handle it, because, as you well know, it's going to allow that utility to do some pre-construction cost that -- that I think is going to be good because -- now, they have to hang their neck out there pretty well on -- particularly on the Base Load Act.

The Base Load Act is deciding certain pre-construction cost on nuclear, and a lot of those are not related to fuel -- to fuel costs. And that's going to be very important because, as you know, as that goes along, we can find the prudence on that first ruling. If we go and find it is prudent and a company is embarked on a lot of spending and moved forward, as they well should, because I think we need to leave -- particularly nuclear and coal. It gives that company an opportunity to move forward with knowing that once we've ruled -- that it is very prudent -- a prudent decision to move forward. It takes a little bit of the pressure off of them.

REPRESENTATIVE SANDIFER: Okay. And that brings me to the next question. How closely -- and you mentioned this a little bit ago. How closely do y'all monitor what's going on on Wall Street?

MR. MITCHELL: Awfully lot. Awfully lot. We have great reports -- in fact, on my computer every day just about we -- we have some

relations to Wall Street. Mr. Riley is available there. He's had a long history of working for different power companies, and he keeps us very much informed of what's happening.

REPRESENTATIVE SANDIFER: Okay.

MR. MITCHELL: That's almost a daily thing, yes, sir.

REPRESENTATIVE SANDIFER: All right. I'm going to ask you one final question. At one time there was some little problem with a delay in getting orders out.

MR. MITCHELL: Yes, sir.

REPRESENTATIVE SANDIFER: Has that been resolved?

MR. MITCHELL: Absolutely. In fact, after that happened, we now have semi-weekly reports of where our orders are, and I can tell you today we never have -- we are up on all our orders. So we made that as a top priority from that moment on that those orders would get out. So we -- we received briefings on that semi-weekly and at least monthly, but mostly semi-weekly.

REPRESENTATIVE SANDIFER: Okay. Thank you.

MR. MITCHELL: Yes, sir.

REPRESENTATIVE HUTTO: Mr. Chairman, that's all I have.

CHAIRMAN HUTTO: Any questions?

MS. CRAWFORD: Uh-uh.

CHAIRMAN HUTTO: Thank you very much for being here this afternoon.

MR. MITCHELL: Thank you very much for your time.

CHAIRMAN HUTTO: Okay.

(Excused from the PSC screening.)

1:44 p.m.

CHAIRMAN HUTTO: Mr. Neyman, you can just have a seat right there. And the court reporter will swear you in.

(Candidate sworn.)

CHAIRMAN HUTTO: Nancy has some questions for you this afternoon.

MS. COOMBS: God afternoon, Mr. Neyman.

MR. NEYMAN: Ms. Coombs.

MS. COOMBS: Would you please state your name and address for the record.

MR. NEYMAN: Floyd Franklin Neyman, Jr. 845 Sunset Drive, Greenwood, South Carolina, 29646.

MS. COOMBS: Mr. Chairman and members of the subcommittee, Mr. Neyman received a BA

degree in psychology from Fort Hays State University in 1964 and an MBA from then Central Missouri State College, which is now the University of Central Missouri, in 1972 and completed 18 credit hours towards a specialist degree in business administration from Central Missouri State College in August 1972.

From 1990 until 2001 Mr. Neyman worked for Council Grove Telephone Company in Council Grove, Kansas, in various management positions, and from 1964 to 1969 and then '74 to '89 Mr. Neyman worked for United Telephone System in various management positions involving work with human resources, public relations and governmental affairs.

Mr. Neyman was a lobbyist for the United Telephone Company of Kansas from about 1980 to 1981, and he was the personnel management for Imco Container Company in Kansas, Missouri, from 1970 to 1974. From 1973 until 1989 he served as a member of the adjunct faculty at Longview Junior College, Kansas State University, Webster University and Ottawa University.

Mr. Neyman, do you have any changes or corrections that you need to make to your Personal Data Questionnaire?

MR. NEYMAN: No, ma'am.

MS. COOMBS: I would request that Mr. Neyman's Personal Data Questionnaire be entered into the record with any confidential information such as Social Security Number and financial statement being redacted.

And for the record I would like to state that a credit check, driver's license check and SLED check revealed no negative results for Mr. Neyman.

And Mr. Neyman provided his driver's license and voter registration card for proof of his residency to District 2 -- excuse me, District 3.

And before we begin questioning, would you like to make a brief statement to the subcommittee, Mr. Neyman?

MR. NEYMAN: It would definitely be impromptu. I appreciate your time and am looking forward to answering any questions or provide any additional information you may need.

MS. COOMBS: Mr. Neyman, why are you interested in serving on the Public Service Commission?

MR. NEYMAN: I've been retired for close to ten years, so it took quite a bit of consideration for me to even look at the prospects of employment again. There are basically three reasons. Salary of course is one of them. However, I am not a wealthy person, but I am financially secure. The word being secure, therefore salary is a consideration; it definitely is not the overriding factor.

Since I've retired my emphasis has been on physical activity. I've been a member of the YMCA, and I've worked out two days a week about the last eight, nine years. I've volunteered with Habitat For Humanity working on job sites and also driving the vehicle on weekends to pick up donations for the thrift store, buying furniture, et cetera. And I also volunteer with American Hiking Society maintaining hiking trails. I need to offset that with some mental and intellectual activities, and certainly as a commissioner it would definitely fill that void for me.

The third reason is what I refer to as self-actualization. I've had a career in telecommunications, and to serve as a commissioner would permit me to achieve a high level professionally, and also to serve as a commissioner would permit me to continue to serve the public.

MS. COOMBS: Have you considered serving on the Commission in the past?

MR. NEYMAN: Yes, ma'am.

MS. COOMBS: And when did you --

MR. NEYMAN: Approximately four years ago.

MS. COOMBS: And did you apply at that time?

MR. NEYMAN: Yes, ma'am.

MS. COOMBS: So you went through the screening process in the past?

MR. NEYMAN: Yes, ma'am.

MS. COOMBS: But you didn't go through any election; is that correct?

MR. NEYMAN: No. Correct.

MS. COOMBS: Have you attended any Commission hearings?

MR. NEYMAN: No, ma'am.

MS. COOMBS: And have you read any of the Commission's decisions?

MR. NEYMAN: Only what I've seen on those. As far as reading the decisions, no.

MS. COOMBS: If you were elected to

serve on the Commission, how would you expect to get up-to-speed on the issues that would be before the Commission?

MR. NEYMAN: I would do as you had asked. If I am done today, I would read and get caught up accordingly.

MS. COOMBS: And could you explain why we regulate public utilities?

MR. NEYMAN: The textbook answer for that is that regulation replaces competition. I don't know that I agree with that anymore. I think regulation has become such that it will replace or be an oversight for deregulation that isn't working and vice versa. Deregulation can offset the -- assist regulation that is not working.

Examples would be telecommunications. The Telecommunications Act deregulated basically long distance and some telco. As a result of that, I think there's been some very positive outcomes. There's been some major advances in technology and therefore services to the general public. That was a case where deregulation was not working, and therefore things were deregulated -- regulation was not working. Therefore things were deregulated. But at the same time the Communications Act left it up to the states to regulate what I call dial tone as to protect universal service. So there's a case of deregulation not working -- regulation not working where deregulation came in and provided the answer for it.

Some examples of where things were deregulated and it didn't necessarily work, one would be in the energy industry. Enron is a good example of one that happened. It was in California where the providers actually reduced capacity to drive up rates.

So another area that I think is going to be looked at possibly down the road -- deregulation doesn't apply to the utility industry, but would be the airline industry. Everybody knows what's going on there, and I think those faults -- or those problems have been a result of deregulating an industry which should have been continued to be regulated.

MS. COOMBS: What's your understanding of the Commission and its regulation of water utilities?

MR. NEYMAN: It's limited. Beyond that I don't know what else to tell you. It's -- it would be regulating of the investor owned

utilities. There was an example of -- in Anderson where there was a water company that had requested a rate increase that was denied by the Public Service Commission. So there are normal commission activities associated with it. Beyond that I don't know what else to tell you.

MS. COOMBS: When you say limited, did you mean their regulation is limited or your knowledge of it was limited?

MR. NEYMAN: My knowledge of it was limited.

MS. COOMBS: Oh, okay. And are you familiar with the advisory opinion that was issued by the Review Committee dealing with the attendance of legislative functions?

MR. NEYMAN: Yes. It is part of the Code of Judicial Conduct, and it states that commissioners will not attend political gatherings.

MS. COOMBS: I'm speaking of the advisory opinion that -- that this Review Committee issued with respect to candidates attending legislative receptions. Are you familiar with that?

MR. NEYMAN: That is -- again, that is part of the Code of Judicial Conduct, and also the statutory constraints that says commissioners will not attend lobbyists' receptions.

MS. COOMBS: Have you attended any legislative receptions?

MR. NEYMAN: No, ma'am.

MS. COOMBS: If you're serving on the Commission and you're approached by someone who wanted to discuss a matter that is either in -- an issue in a pending case or it's a matter that does -- could become an issue in a proceeding in the future, what would you -- how would you handle that situation?

MR. NEYMAN: Refuse to discuss it with them because that's one of the part of the -- part of the ex parte communication rules.

MS. COOMBS: In your PDQ you state that you own stock in Citizens Communications.

MR. NEYMAN: Yes, ma'am.

MS. COOMBS: Do you know whether the Commission regulates Citizens Communications?

MR. NEYMAN: I -- they do not have an operation in South Carolina, but I'm confident that some aspects of it -- in other states would fall under the regulation because they do provide a lot of what I call dial tone.

MS. COOMBS: And do you understand that -- that you could not serve on the Commission if -- if the -- if you owned stock in a company that was regulated by the Commission?

MR. NEYMAN: Yes, I understand that.

MS. COOMBS: So if it turned out that Citizens Communications did -- did -- was regulated by our commission in South Carolina, you would divest yourself of that stock?

MR. NEYMAN: Yes, ma'am.

MS. COOMBS: Please answer any questions that any members of the subcommittee might have.

CHAIRMAN HUTTO: What brought you to South Carolina?

MR. NEYMAN: Retirement.

CHAIRMAN HUTTO: Okay. Why did you pick here?

MR. NEYMAN: Greenwood where I settled was formerly owned by the Archdale family, Greenwood Telephone Company, and they purchased -- they meaning United Telephone -- purchased the operation from the Archdale family. I got to know Bruce, and I told him once I retired, I'm thinking about going south, and he recommended Greenwood. So that's why I came.

CHAIRMAN HUTTO: What did you do for United Telephone System of Kansas?

MR. NEYMAN: I served on several capacities, personnel public relations, governmental affairs, but the majority of my time I spent in operations where I had approximately three-fourths of the state of Kansas where I provided day-to-day running and all the major functions, business offices, repair centers. Then they had toll centers for operator services. I had installation repair, construction site planning, maintenance, central office maintenance, installation.

So I had -- about five years I had day-to-day operations for three-fourths of the state of Kansas.

CHAIRMAN HUTTO: Did you participate before whatever their equivalent of the Public Service Commission is?

MR. NEYMAN: I never -- no, I was involved with hearings that involved the Commission, but as a witness/participant, no, I did attend them.

CHAIRMAN HUTTO: Okay. Outside -- and

you're completely retired right now?

MR. NEYMAN: Yes, sir.

CHAIRMAN HUTTO: Okay. And what kind of community or church activities are you involved in at this time?

MR. NEYMAN: I -- I am a member of a Lutheran church in Greenwood. My attendance has dropped -- I stopped attending about a year ago. I was not real comfortable with the direction the church was going. However, they did ask me to remain a member, which I am a member. And of course that not has affected my faith, but I'm just not comfortable with what they call the community of faith, and I wanted a place to go to church. I don't need someone to manage my time and I kept my money.

CHAIRMAN HUTTO: Are you serving on any boards or commissions in the community?

MR. NEYMAN: No.

CHAIRMAN HUTTO: Okay. With -- the American Hiking Society, what is that?

MR. NEYMAN: It's a national organization headquartered in Washington, D.C., and they work with various states to promote hiking in the United States. One of their promotions is to work with organizations to -- that need help maintaining their trails and they provide them with volunteers. I volunteered maintaining the hiking trails in California, Ohio, North Carolina, and twice in the state of South Carolina.

CHAIRMAN HUTTO: Okay. I'm going on the Appalachian Trail. Do you got any tips for me?

MR. NEYMAN: That's a beautiful trail I understand.

CHAIRMAN HUTTO: Answer any questions Mr. Sandifer may have.

REPRESENTATIVE SANDIFER: Thank you, Mr. Chairman.

Mr. Neyman, I'm going to talk a little bit more technically about the Commission, its operation, if I may.

You talk about regulated and deregulated entities. First of all, do you know what all entities are regulated by the Public Service Commission of South Carolina?

MR. NEYMAN: It would be investor owned entities. It would be electric and gas, telecommunications, water, wastewater, carriers of household goods and hazardous waste for disposal, and taxi cabs.

REPRESENTATIVE SANDIFER: Okay. Very good. Of that list are there some that need to be deregulated? And I'm using your own criteria for this.

MR. NEYMAN: I'm trying to think. I can't think of anything on that list -- telecommunications, like I said, it has already been done and I think successfully so. Energy, I think they have failed and your -- there needs to be oversight there. But I can't think of any that --

REPRESENTATIVE SANDIFER: Okay. I just found your -- your combination there that you were describing a little bit interesting and wanted to follow up on it. And I also have to ask about the fact that you've been in retirement now for ten years, and I -- I couldn't help but notice your three reasons for wanting to serve on the Commission. None of them had a thing to do with South Carolina.

MR. NEYMAN: I thought I ended the last one by saying it would also permit me to continue serving the public.

REPRESENTATIVE SANDIFER: You said achieve a higher level professionally.

MR. NEYMAN: I apologize. My intention was to complete that part by saying I -- it would also give me the opportunity to continue serving the public.

REPRESENTATIVE SANDIFER: Okay. Can you describe for me what you see as the relationship between the Public Service Commission and the Office of Regulatory Staff?

MR. NEYMAN: They are separate entities. The Office of Regulatory Staff is a separate agency. The rules of ex parte communications provide -- is -- applies to them when they speak to one another. They can't do it without both -- another -- both parties being involved. But they're totally separate entities.

REPRESENTATIVE SANDIFER: I understand that. I'm -- what I'm trying to get at is what relationship do they have? We can say that the Department of Revenue is a separate agency from the Public Service Commission, and that would also be exactly correct. So you're correct in what you're saying. I'm trying to explore what the relationship between these two agencies is.

MR. NEYMAN: Let me try to address that by maybe giving -- stating that the jurisdiction

emission of the two because they're separate. The jurisdiction of the PSC is -- involves matters dealing with the investor owned utilities in the state. Its mission is to serve as a quasi judicial body charged with hearing cases involving -- involving the state's investor owned utilities; whereas ORS, they are responsible for inspecting, auditing and examining the investor owned utilities in the state of South Carolina by maintaining it.

And their mission would be to represent the general public -- the interest of the general public before the PSC, the court system, the General Assembly and the national regulatory agencies, and in doing so they have to maintain a balance between the consumer interest, the financial integrity of the utilities, and the economic interest of the state of South Carolina.

REPRESENTATIVE SANDIFER: And you're exactly correct. That -- that was the answer I was looking for to try to determine that -- that balance that there is, that existence between the two agencies, the ORS and PCS.

Mr. Chairman, that's all the questions I have. Thank you.

CHAIRMAN HUTTO: Thank you for appearing before us this afternoon.

MR. NEYMAN: I appreciate your time.
(Excused from the PSC screening.)

2:05 p.m.

CHAIRMAN HUTTO: Good afternoon. Have a seat right there, and the court reporter will swear you in.

(Candidate sworn.)

CHAIRMAN HUTTO: Okay. Heather has some questions for you this afternoon.

MS. ANDERSON: Good afternoon. Can you please state your full name and address for the record.

MR. SHIFLET: My name is Clifford Thomas Shiflet. 125 Carling Drive, Anderson, South Carolina. The zip is 29625-3023.

MS. ANDERSON: Mr. Shiflet obtained a bachelor of science degree in industrial education from Clemson University in 1980. He attended Tri-County Technical College from 1969 to '71 and transferred to Anderson College. He attended Anderson College from 1971 to 1975 when he transferred to Clemson.

Mr. Shiflet worked full-time throughout his years that he spent in college. He worked --

he began working young in a family business as a technician. He repaired televisions and radios. Then from 1967 to '68 he was a shift operator and technician for WAIM Television. From 1968 to 1980 he worked for Dow -- I'm not sure how you pronounce it --

MR. SHIFLET: Badische.

MS. ANDERSON: -- Badische Corporation. There he worked as machine operator, the production technician, computer services technician, then programmer trainee and computer programmer.

From 1980 to 1982 he worked for Amtech Corporation, a computer programmer and programmer and analysis (sic). From 1982 to '89 he worked for A&P, Incorporated. There he worked as senior programmer analysis EDP systems analysis, systems development supervisor, and DP manager.

From 1989 to the present he has worked with Shiflet Enterprises which is a family business. He is currently president of this business and serves as the chief field engineer. Mr. Shiflet owned 49 percent of this business and his wife owns the remaining 51 percent. Mr. Shiflet also served in the U.S. Army Reserve from 1968 to 1974.

Do you have any changes or corrections to make to your Personal Data Questionnaire?

MR. SHIFLET: Only the word analysis is analyst. That's all.

MS. ANDERSON: Okay. I apologize. I didn't realize I said that.

I would request that Mr. Shiflet's Personal Data Questionnaire be entered in the record with any confidential information such as Social Security Number and financial statement being redacted.

For the record I'd like to state that a credit and SLED check revealed no negative results for Mr. Shiflet.

Mr. Shiflet has provided his driver's license and voter registration card for proof of his residency in District 3.

Before we begin questioning, do you have a brief statement that you'd like to make?

MR. SHIFLET: Yes, ma'am. I'm not sure about all the titles, so I'll just say I wanted -- I wanted to thank all of y'all for this opportunity to come before you and present myself.

It's your job, I guess, to ascertain if I have the integrity and the character to do this

job and the wits. Some of the experience over the years helped me earn this gray hair, exposed me to many things, and I feel that I could work very well on the team in this job. And on the 2003 -- '2 and '3 summary, I found out there was more departments in this -- agendas inside this organization, and -- and I was really excited about it. I was hoping I would get to work on some of those things. Thank you.

MS. ANDERSON: I want to ask you a few questions now.

MR. SHIFLET: Sure.

MS. ANDERSON: Why are you interested in serving the Public Service Commission?

MR. SHIFLET: Well, it looks like a good opportunity to do something and leave a mark that I was here. I have children and grandchildren, but South Carolina doesn't know I was here unless I can do something somewhere along the line to leave my name somewhere. And it looks like a job that's got lots of facets to it.

To do this job, I'd have to leave the other job, and you should know, I've been climbing ladders for 40 years, running wire and do things like that, and I'm kind of tired about that. And my wife and I discussed it, and she agreed that we're just going to close the business. And I have some fellow competitors that I've talked to about possibly taking over some of my clients, and so I want to move on to a new opportunity.

MS. ANDERSON: Have you attended any hearings at the Commission?

MR. SHIFLET: No.

MS. ANDERSON: Have you read any of the Commission decisions?

MR. SHIFLET: Not -- I did some general reading on the website, and I could have read one. I don't know. Nothing comes to mind particularly.

MS. ANDERSON: Okay. How would you expect to get up-to-speed before issues on the Commission?

MR. SHIFLET: Well, by hard work. Like when I took the test, one of the questions, number four or five, asked, What was the Universal Service Fund? I wrote on that I had no idea, but I do now. Where I'm short, I'll make up the difference. I'm confident I can do that.

MS. ANDERSON: Do you mind telling me what the Universal Service Fund is?

MR. SHIFLET: Well, it was -- it was a

South Carolina Telecommunications Act enacted in 1996, and the 2002 and '3 summaries of the commissions, the very sentence in there was where they were talking about where they had -- major achievement was the implementation of that servicing providing telecommunications to high costs in rural areas.

MS. ANDERSON: Are you familiar with the advisory opinion issued by the Review Committee dealing with attendance at legislative receptions?

MR. SHIFLET: No.

MS. ANDERSON: I believe it was included in your packet with the application --

MR. NEYMAN: Oh, not to go.

MS. ANDERSON: Okay. Yes, sir.

MR. SHIFLET: Not to go. I -- you've sort of made it plain that I've been invited to a couple things, and I don't know where it come from, but I haven't been to anything.

MS. ANDERSON: Okay. So --

MR. SHIFLET: I'm sorry.

MS. ANDERSON: That's okay. So we can firm -- confirm that you have not attended since receiving that?

MR. SHIFLET: No.

MS. ANDERSON: Okay. Assume that you're serving on the Commission and you're approached by someone who wants to discuss a matter that is or may become an issue. How would you handle that situation?

MR. SHIFLET: Keep my mouth shut. I read through that, and it sounds like you can make inadvertent comments and stuff like that. Better just talk about fishing.

MS. ANDERSON: Thank you, Mr. Shiflet. Please answer any questions that members of the subcommittee may have.

MR. SHIFLET: Yes, ma'am.

CHAIRMAN HUTTO: What kind of business is Shiflet business?

MR. SHIFLET: We install fiber and fiberoptic cables connecting on-campus buildings and inside plants and offices. And a lot of my work has been with a company called Parkdale Mills in Gastonia. They have 28 mills throughout South Carolina and North Carolina, and we run communication cables for voice and data to those locations.

CHAIRMAN HUTTO: And how long has that business been in existence?

MR. SHIFLET: I started it part time in 1985, and in 1989 I was about to turn 40 and my dad said if I was ever going to do something, I should do it before I was 40. I left town August 18th, 1989, turned 40 August 26th.

CHAIRMAN HUTTO: And -- and does that business still have accounts at this time or have you closed it down.

MR. SHIFLET: No, I haven't got this job yet, so I hadn't closed it yet.

CHAIRMAN HUTTO: Oh, okay.

MR. SHIFLET: It's closing and I'm getting wore out on it.

CHAIRMAN HUTTO: Outside of your -- your job, what -- what type activities are you involved in in the community or in your church?

MR. SHIFLET: Well, I don't attend church as much as I should, but I go and I help with the Halloween hayride for children and the older adults that hang around a little later. And I work with some friends with the Disabled American Veterans helping them do projects. There's a mill village over there that we help with reunions and stuff like that. And I'm in the Masons and we raise money -- and the Shriners, and we raise money to support some people that need help around Anderson and in the children's hospitals.

CHAIRMAN HUTTO: How did you find out about the Public Service Commission and the fact that they had this job opening up?

MR. SHIFLET: There was an ad in The Anderson Independent, local paper.

CHAIRMAN HUTTO: Answer any questions that Mr. Sandifer may have for you.

REPRESENTATIVE SANDIFER: Thank you, Mr. Chairman.

Mr. Shiflet, let me ask you some questions that deal a little bit more directly with the Commission and its activities, if I may, please.

You said that you do now know what the USF is, the Universal Service Fund. Would you explain to me something about how it works. You gave a description of it, but I -- I'm the guy that put that long book -- so I'd like for you to tell me just a little bit about how it functions.

MR. SHIFLET: Well, you made a challenge to know all about it. I know very little. I just know what I studied to try to prepare for this interview. I know it was passed

in 1996, like I said, and it took six years to get it implemented. I don't really know the nuts and bolts of how a person who decides to live in a very rural area obtains the service that the telecommunications companies are supposed to provide. I'm not sure about the nuts and bolts of how the -- what process they do other than go and present themselves.

And I'm not sure if assistance provided to the hearing and visually impaired people are a part of that or -- or not.

REPRESENTATIVE SANDIFER: Okay. Let me -- let me ask you about one other term that is a part of that. Does the term obligation to serve mean anything to you?

MR. SHIFLET: Yes, sir.

REPRESENTATIVE SANDIFER: Okay. And that's a part of what the USF is all about because there is an obligation to serve those people.

Move on for a minute. Can you characterize for me what you see as the role of the Public Service Commission?

MR. SHIFLET: I think the Public Service Commission is -- probably needs to be a master at balance. It has to -- the needs of the companies and the utilities that provide the service in the area and then you have the needs -- well, and the transportation. You have the needs of the citizens -- all of us citizens in South Carolina who have needs, and you have to kind of listen to both.

And you make a decision or the recommendation -- you have laws that dictate what things can or can't be, and I don't know all the law yet but -- and may never, but the Public Service Commission is supposed to implement the functions and responsibilities of the utilities and the transportation companies, and --

REPRESENTATIVE SANDIFER: If I ask you if that is a regulatory agency, would that describe somewhat what they do?

MR. SHIFLET: Yeah, well, some. We don't make -- the Public Service Commission I don't think makes the laws.

REPRESENTATIVE SANDIFER: Well, there's a huge difference, Mr. Shiflet, between laws and regulation. But I understand what you're saying.

While we're talking about the Public Service Commission, there's another agency that's intricately intertwined with it, and that's the

Office of Regulatory Staff. Do you know what the relationship between the PSC and the ORS is?

MR. SHIFLET: Well, it's the Office of Regulatory Staff where the officers that do the transportation or the -- monitor hazardous waste -- don't you have investigation officers?

REPRESENTATIVE SANDIFER: Well, they have the investigatory powers, but I will tell you ORS is a party to everything that happens, every action at the Commission, and it's their job to represent the public interest before the Public Service Commission.

MR. SHIFLET: Okay.

REPRESENTATIVE SANDIFER: You --

MR. SHIFLET: To be sure that the regulations are being followed.

REPRESENTATIVE SANDIFER: Mr. Chairman, I have no further questions. Thank you very much.

CHAIRMAN HUTTO: Thank you for coming this afternoon. Appreciate it.

(Excused from the PSC screening.)

CHAIRMAN HUTTO: I think that is all the candidates we have for District 3, so we'll go into executive session again and discuss those candidates, and we'll come back in with District 5 in just a few minutes.

(The PSC screening was continued under a separate restricted record.)

* * * * *

2:33 p.m.

CHAIRMAN HUTTO: Okay. We'll have you sworn in.

MR. HAMILTON: All right, sir.

(Candidate sworn.)

CHAIRMAN HUTTO: Heather has some questions for you.

MR. HAMILTON: All right.

MS. ANDERSON: Good afternoon.

MR. HAMILTON: Good afternoon. Thank you.

MS. ANDERSON: Please state your full name and address for the record.

MR. HAMILTON: Gordon O'Neal Hamilton. 706 Lakeshore Drive, Bennettsville, South Carolina, 29512.

MS. ANDERSON: Mr. Hamilton obtained an associate's degree from North Greenville Junior College in 1953. He has served as the Public Service Commissioner for the fifth district since 2004. From 1977 to 2003 Mr. Hamilton was employed

as agency manager with Farm Bureau Insurance. From 1953 to 1977 he was agency manager for Life Insurance Company of Georgia.

He is also served in the following capacities: Member of Bennettsville City Council from 1978 to 1990, Highway Commission from 1990 to '92, and Marlboro County Council from '92 to 2004. Mr. Hamilton is a member of the following professional organizations: National Association of Regulatory Utilities Commissioners, Southeastern Association of Regulatory Utilities Commissioners, and NARUC committee on gas where he presently serves as chair.

Do you have any changes or corrections that you'd like to make to your Personal Data Questionnaire?

MR. HAMILTON: No.

MS. ANDERSON: I would request that Mr. Hamilton's Personal Data Questionnaire be entered into the record with any confidential information such as Social Security Number and financial statement being redacted.

For the record I'd like to state that a credit check and a SLED check revealed no negative results for Mr. Hamilton. Mr. Hamilton provided his driver's license and voter registration card for proof of his residency in District 5. According to Section 58-3-530 of the Code, the commissioner's performance reviews must be a part of the record for consideration if the member seeks reelection. I would request that Mr. Hamilton's performance review be entered into the record.

Before we begin questioning, do you have a brief statement that you'd like to make?

MR. HAMILTON: Yes, please. I'd like to express to the committee my appreciation for the opportunity to have served the past four years. It's been very rewarding. I've seen things happen and changes made that have been -- it's been very satisfactory I think to myself, to you and for the state of South Carolina.

Our commission has grown substantially during that period of time. When I first came on the Commission, we were going through 175 and the change, and we were adopting to a new way of doing business. And it's proven to be an excellent way for us to do it because at this present time we have a number of states that are looking at South Carolina now to reform the manner in which they do business as far as the public utilities are

concerned in their states. And I think it's very reflective of the job that the present commission has done.

I'd like as chairman just to take a few minutes to express the appreciation that I have to my fellow commissioners. All of the commissioners have worked together. They all are very interested and they work very hard and they all are very involved. Just to mention a few accomplish (sic) that I think is important for you to know and I'll start -- if I can get the numbers right.

Commissioner Howard is a national chairman -- vice chairman of the water committee, and as all of you are aware, a lot of our work is done with water companies and the needs they have.

Commissioner Wright is nuclear energy. He's with the waste disposal and has done a very good job on that. And Commissioner Wright I would like to report to you seems to be doing well with the treatment he's going through at the present time.

Commissioner Clyburn is on the Washington action committee, and this is the committee that keeps the commissioners throughout the nation informed on things that are happening, and she's doing an excellent job there.

Commissioner Mitchell, he's just -- he's been very active on the telecom committee, and he's just received a new appointment to a task force with FCC concerning broadband. And we're very proud and we're glad to see South Carolina's voice going to be heard in that area.

Commissioner Moseley is in a very active position as to LNG. He's on the Department of Energy and NARUC task force. He's vice chairman of that commission.

Commissioner Fleming is vice chair of critical infrastructure where it kind of overlaps our commission.

And as mentioned by Ms. Anderson, I'm chairman of the national gas committee which puts me involved with all energy issues that come before NARUC. The electric committee, gas committee chair, set on all committees that are involved there.

I'm presently chairman of a committee on moratorium that is searching the feasibility and possibilities, pro and con, of going to drill and activate on private -- on public lands. This is important that we can put a positive face on this

with the -- especially the fact that natural gas is going to have on generation on the future which is apparently going to be more and more.

I do this to tell you that you got a commission that's interested in the purpose, and they're working together to do what needs to be done in the state of South Carolina. With that, I don't want to bore the committee. Thank you very much.

MS. ANDERSON: Thank you, Mr. Hamilton. I'm going to ask you a few questions.

MR. HAMILTON: Right.

MS. ANDERSON: Would you please describe an ordinary workday for you.

MR. HAMILTON: Well, my ordinary workday, I usually come into the Commission on Monday. As chairman I have an opportunity to meet with Charlie -- Mr. Terreni and Ms. Boyd on administrative matters that are before the Commission. They -- they do a good job of letting me think I'm having something to do administratively with what happened. Charlie and Ms. Boyd do a tremendous job for the Commission, but they do keep me totally informed.

Under 175 I am the chief operating officer. So we know when it's happening. We work together on it, and that works well. We -- I usually set up briefings for the different matters that we have coming before the Commission. We usually break up into groups that we can operate and work together to make as much use of the staff advisory committee as we possibly can to work in groups of three or two to keep us informed and up-to-date on matters that are coming before the Commission.

We usually have hearings of some sort, transportation, or any -- usually set on Tuesday, Wednesday and Thursday. And our normal commissioner meeting is on Wednesday afternoon at 2:30. Friday is usually used by me for my NARUC problems and committees to do -- all my conference calls are usually set on Friday.

MS. ANDERSON: How do you prepare for a hearing?

MR. HAMILTON: Well, it depends on -- on the hearing. Some hearings are certainly simple. Others are very complex, and the complexity of it would note the amount of time.

We -- on any rate case or formal hearing we have pre-filed testimony that is

presented to the commissioners, and we start going through those. And as we have concerns that we need additional help for, we have advisory staff and legal staff that we can call in to discuss the matter. So we -- we see that we know as much as we possibly can about any given -- any given case before the hearing.

MS. ANDERSON: How long does it take to prepare for a typical electric, telecommunications, natural gas, water and sewer case?

MR. HAMILTON: Well, in an electric case it's weeks. There's so much involved. And with a gas case with a new Stabilization Act, a lot of things have been in price of gas adjustment. These things have been streamlined. There's not as much time. The prudence question is more on the information that ORS has to bring to us on these matters, and audits and whatnot are conducted. But it would take a couple days to go through the material to do that.

MS. ANDERSON: And you've already touched on this, but what type of contact do you have with the Commission staff?

MR. HAMILTON: With our commission staff?

MS. ANDERSON: Yes, sir.

MR. HAMILTON: We have very close contact. And we're proud that they're willing to work with us as well as they are. It's very continual. And we have some excellent individuals on our staff that are experts in any given field, and we have a legal staff that we'll put up against anybody's legal staff as far as utility laws that keep us informed.

No one person can grasp all of it. It has to be a melting together and working together.

MS. ANDERSON: If you were approached by someone wanting to discuss a matter that is or may become an issue in a proceeding, how would you handle the proceeding?

MR. HAMILTON: Well, I would stop them immediately and tell them, you know, this is something that we cannot -- I cannot do and we can't do and it would be -- it would hurt them and myself if we involved ourselves in any ex parte communications.

If there's a -- if there's something that's relevant -- administrative procedure, they could go to Mr. Terreni and get any procedure information. If it's requirements of ex parte

briefing, there are manners in which that can be done that all parties can be involved and no one can receive an advantage or disadvantage in the conversation.

MS. ANDERSON: Are you familiar with the advisory opinion issued by the Review Committee dealing with attendance at legislative receptions?

MR. HAMILTON: Yes, ma'am.

MS. ANDERSON: And have you attended any legislative receptions since receiving the opinion?

MR. HAMILTON: No, ma'am.

MS. ANDERSON: How do you think you've done since you were elected to the Commission?

MR. HAMILTON: I think I've made a difference. I've worked hard and I made a commitment when -- I always have. And I made a commitment to the Commission that it was going to be the most important thing in my professional life, and I've tried to live up to that. I've done what I could to give a perception not only that we were doing the right thing but to put forth the perception to the industry and to the public that they -- they could come before the Commission and receive an unbiased opinion.

MS. ANDERSON: Thank you, Mr. Hamilton. Please answer any questions that members of the subcommittee may have.

CHAIRMAN HUTTO: Are you sure you want to do this again?

MR. HAMILTON: Yes, sir.

CHAIRMAN HUTTO: You know, if you were a judge, you'd be barred from running for another term because they put a mandatory age limit on judges, but we've decided in our wisdom to let people with your seasoned ability to move forward if they want to, and so I guess you want to.

MR. HAMILTON: Yes, sir. I know when I -- our mutual friend Senator Cunningham has been able to have -- is told -- overcome that burden for him because he's still working.

CHAIRMAN HUTTO: That's right. Did the -- the work that you do on the national level, it seems like you're very involved in that. How -- how do you balance that time with what your jobs are as chairman of the Commission?

MR. HAMILTON: I don't have any spare time. I would -- I've always been a person that was able to manage time. In business and your profession, the most important thing that we do --

have is our ability to manage time. I learn to do that early in the business, and I've got a full week than most people, but I'm able to work those things in and still do what needs to be done with the family on the weekend.

CHAIRMAN HUTTO: And are you able to stay -- continue to stay active in your community, church, that kind of thing?

MR. HAMILTON: I'm very active in my church. I've had to take an inactive status with the Rotary Club. There was no way I could attend the meetings and do what I need to do here. I've maintained my interest in local government through -- I'm immediate past president of the South Carolina Association of Council of Governments. I followed Senator -- that senior thing passed by. But I just finished that year.

CHAIRMAN HUTTO: Okay.

MR. HAMILTON: Senator McGill. I followed him, so that was a tough job.

CHAIRMAN HUTTO: Yeah, because he already promised everybody all the money.

MR. HAMILTON: And then we didn't have any. You know it.

CHAIRMAN HUTTO: Oh, yeah. Yeah. Well, I wonder if in 1961 when you were sitting in that Bible 101 class at North Greenville Junior College you'd ever thought you'd be here.

MR. HAMILTON: No, sir. All I was worried about was that football game on Saturday.

CHAIRMAN HUTTO: Okay. Well, thank you very much, and thank you for all the efforts that you have done to make Act 105 (sic) work for us, and Mr. Sandifer has some questions for you.

REPRESENTATIVE SANDIFER: Thank you, Mr. Chairman.

MR. HAMILTON: Yes, sir.

REPRESENTATIVE SANDIFER: I know, Mr. Hamilton, you remember, as I do, the difficult times that we went through with the transition to Act 175.

MR. HAMILTON: Yes, sir. I went through two years in the home.

REPRESENTATIVE SANDIFER: Exactly. I think everybody did.

Let me ask you a few direct questions more about the Commission and your activities as your chairman. You said a minute ago that your normal workweek as chairman, you come in on Monday.

MR. HAMILTON: Yes, sir.

REPRESENTATIVE SANDIFER: When you were not chairman, did you come in on Monday?

MR. HAMILTON: I was vice chairman.

REPRESENTATIVE SANDIFER: Okay. Did you come in on Monday at that time?

MR. HAMILTON: Yes, I did.

REPRESENTATIVE SANDIFER: Okay. And at such time as you are no longer chairman -- I think y'all rotated every, what, two years?

MR. HAMILTON: Every two years. That's right, sir.

REPRESENTATIVE SANDIFER: At such time as you are no longer chairman, would it be your intent to continue to come into the office on Mondays?

MR. HAMILTON: I think as long as I'm as involved as I am in the national and the importance that I see for South Carolina in our involve -- involvement in the national interest, I think I -- it would be -- I personally -- when I was elected to the Commission, I purchased a condo, so it's not any problem for me to come to Columbia. It's convenient to stay here and when I finish a week's work on Friday go home.

REPRESENTATIVE SANDIFER: Okay. And you just hit upon the next item that I want to ask you about, and that's NARUC or any of the national or regional organizations.

Does the amount of time that you spend and energy -- energy that you expend on those organizations have any detraction to what you're doing in your job as a commissioner?

MR. HAMILTON: No, they do not. They improve yourself as a -- as a state commissioner because you get to -- you don't just get to see the trials and errors of what's happening in South Carolina. You get to see it from a national standpoint, and everything winds up on an energy to be a national conflict, a national level, and we are able because of participation of our commission to have a voice in these things, and we're at the table when decisions are made, and we have a chance to change things.

I've been active on the task force on climate control and had an opportunity at the last trip to Washington to meet with Senator Lieberman's staff on -- on the climate task force bill that's coming before us that's going to be a struggle for South Carolina to comply. And they know now how we feel about it, and I think it's important that what

we do here is able to carry the voice of the South Carolina consumers and the South Carolina companies to a national level.

REPRESENTATIVE SANDIFER: Yeah, and I'm going to ask you to please carry the I-85 corridor's word on that because we are just on the bubble on that as you well know --

MR. HAMILTON: Yes, sir, I know that.

REPRESENTATIVE SANDIFER:
-- Commissioner.

When y'all have the groups of two or three commissioners meeting with staff going over notes in an educational type environment, how do you determine which commissioners are involved in that discussion?

MR. HAMILTON: It's usually a system -- it's -- the chairman decides -- he decides which groups to put together. That's one of the pleasures of the chair, and of course if a commissioner at that particular time is not convenient, we -- they -- they can switch it out.

REPRESENTATIVE SANDIFER: Right.

MR. HAMILTON: You have to have some formula to work by, and I assigned it.

REPRESENTATIVE SANDIFER: And I'm glad to hear that. I like the prerogative of the chair.

In Act 175 we allowed for the potential of the utilizing hearing officers. Are you utilizing hearing officers?

MR. HAMILTON: Very much so. It has been excellent for us and it's worked very well.

REPRESENTATIVE SANDIFER: I'm glad to hear that, because I was vitally concerned about it as something that you may or may not have known was a real concern of mine.

And then the last question is: Do -- do you feel like in your position as chair and as a commissioner that you're getting adequate information from the ORS dealing with prudence?

MR. HAMILTON: Yes, sir, I think we do. I think we -- we had to grow. Both sides had -- had to learn how to work things and work together. The relationship is -- I'd say is very good at this time. And I don't think ORS is trying to withhold any information from us.

REPRESENTATIVE SANDIFER: Okay. Thank you, Mr. Hamilton.

Thank you, Mr. Chairman.

CHAIRMAN HUTTO: Any questions?

Thank you for being here this

afternoon.

MR. HAMILTON: Thank you. I appreciate your time.

(Excused from the PSC screening.)

2:57 p.m.

CHAIRMAN HUTTO: Good afternoon. The court reporter will swear you in.

(Candidate sworn.)

CHAIRMAN HUTTO: Jennifer has some questions for you this afternoon.

MR. KNOTT: Good afternoon. How are you?

MS. ROBINSON: Doing well. Thank you.

Mr. Chairman, members of the committee, Mr. Knott graduated from the United States Merchant Marine Academy in 1967 with a bachelor of science degree in marine engineering. Mr. Knott has 37 years experience as an industrial engineer in several different capacities including director of engineering maintenance with Springs Industries, Incorporated, between 1995 and 2002. Since 2002 Mr. Knott has been an energy engineer with Presbyterian Healthcare Systems in Fort Mill.

Mr. Knott, have you had a chance to review your PDQ, the Personal Data Questionnaire?

MR. KNOTT: Yes.

MS. ROBINSON: Would you like to make any changes at this time?

MR. KNOTT: No.

MS. ROBINSON: I would request that Mr. Knott's Personal Data Questionnaire be entered into the record with any confidential information such as Social Security Number and financial statement being redacted.

For the record I'd like to state that a credit and SLED check revealed no negative results for Mr. Knott.

Mr. Knott provided his driver's license and voter registration card for proof of his residency in District 5.

Before we begin today, would you like to make a brief statement before the committee?

MR. SHIFLET: I would with just a few things we didn't cover there.

When I graduated, I received a commission in the Navy Reserve, and part of our obligation was to sail in the Merchant Marine for three years, and I sailed as an engineer and officer for those three years. Went to South Vietnam four times and after fulfilling that

obligation I went to work in the industry. And like Ms. Robinson said, I finished that. It was a total of 37 years, and most of the work that I've done in industry has been within major utilities in South Carolina, North Carolina and Georgia, which is Duke, SCE&G, Progress Energy, Piedmont and -- Piedmont Natural Gas and Georgia Power in Georgia.

Most of the work that I've done, without getting into a lot of detail, worked mainly on the industrial side trying to improve existing processes, put together projects for improvement of proposed projects. Had a lot of work with the -- never actually with the Commission and their dealings but on the utility side trying to better understand and utilize their rate structure to help them be competitive because that was a textile industry which was pretty tough at the time.

And that's basically it. I think one statement I would make is I think the next five to ten years will be critical in trying to understand and devise a method to -- in how the utilities, as far as the water, the natural gas and electricity are going to interact as far as the pricing structures and the drought in the mid east and different areas such as that.

And that's basically it. I appreciate your time.

MS. ROBINSON: Thank you, Mr. Knott. Why do you want to serve on the opinion?

MR. KNOTT: Well, I dealt with it in the industry from the other side and have seen the results of it, and I just think it would be a very challenging and interesting occupation over the next four years, particularly in light of what I mentioned with the challenges that I think we're going to face as a state and as a country having to do with the utilities and how they generate electricity and how we are importing natural gas or Liquified Natural Gas.

MS. ROBINSON: Have you attended any hearings at the Public Service Commission?

MR. KNOTT: No.

MS. ROBINSON: Have you read any of their decisions?

MR. KNOTT: I've read through a lot of documentation but not actually a decision.

MS. ROBINSON: How do you expect to get up-to-speed if elected to the Commission?

MR. KNOTT: Basically I believe it's going to be through reading the rate proposals that

the utilities have before the Commission, trade journals that have to do with commissions across the country, particularly in South Carolina. I think I understand some of the rate making process just from the other side with the rate tariff and things like this, and I believe it would be those areas plus hopefully working with the regulatory staff to update on what's going on as far as the individual rate proposals.

MS. ROBINSON: Assuming you're elected to the Commission and someone approaches you and would like to discuss a pending matter or a matter that may be pending before the Commission, how would you handle that situation?

MR. KNOTT: I would -- if it was something having to do with the proposed regulation, I think I would as soon as I could try to document what was actually said, a date and time and get back with the legal staff or the Commission to be sure that all of that was on the record that I had been approached even if I had not said anything and give whatever my statement was to tell them that I was not able to comment on that because of the position.

MS. ROBINSON: Thank you. Are you familiar with the advisory opinion issued by the Review Committee dealing with attendance of legislative receptions?

MR. KNOTT: I know you're not supposed to go to them.

MS. ROBINSON: Thank you. Well, I hope you've answered my follow-up question as to whether you attended any legislative functions.

MR. KNOTT: No, I have not.

MS. ROBINSON: Thank you. No further questions.

CHAIRMAN HUTTO: What do you do at your present occupation?

MR. KNOTT: Corporate energy engineer for Novant which is a parent company of Presbyterian Healthcare in Charlotte. We have eight hospitals in North Carolina.

CHAIRMAN HUTTO: All right. And so do you coordinate the energy needs of those hospitals? Is that --

MR. KNOTT: Right, as far as procurement of the natural gas through transportation brokers on the larger accounts. I handle the rates as far as we're on the better rates. I move between some of the newer rates that

they have with standby generation, SG, rates. And on the water and sewer, I deal with those utilities because there are some options on rates and recovery of sewer charges for evaporation on large cooling towers and that kind of thing.

CHAIRMAN HUTTO: And when you're not working on your job, what do you do in the community or with your church?

MR. KNOTT: Basically I -- on some charitable things in Rock Hill, nothing really major, no positions that I hold that are directing those efforts. I attend a lot of them, but I'm not active as far as the management or organization of them.

CHAIRMAN HUTTO: How did you find out about the vacancy on the Public Service Commission or the fact that we were going to have the upcoming elections?

MR. KNOTT: I saw it in the Rock Hill Harold several months ago. I don't remember the exact date.

CHAIRMAN HUTTO: Have you ever been interested in any way before then?

MR. KNOTT: I thought it was interesting, but I had never actually understood how you went about getting involved in it. I really didn't understand that it was an elected position until I read that announcement. I thought it was a commission that was decided by the legislature and really didn't understand the process that I've gone through in the last four to six weeks.

CHAIRMAN HUTTO: Okay. Answer any questions Mr. Sandifer may have.

REPRESENTATIVE SANDIFER: Thank you, Mr. Chairman.

Mr. Knott, I'm in agreement with you. The next five to ten years are critical, and so I think it certainly emphasizes the importance of what we're doing here today. If -- if we can agree upon that, what special skills do you believe that you bring that would be helpful to the Commission in riding through this wave of five to ten years?

MR. KNOTT: I think I understand the interaction, not completely but somewhat, from the industrial side as far as the fact to remain competitive. A hospital system may not have to remain as competitive as industry, but I think to be able to understand how to switch between the natural gas and the electrical rates where

applicable -- I know that we're looking at electric boards in some cases now where that's just an economic advantage to natural gas fuel boilers.

I think things like the -- I know in North Carolina and I think in South Carolina too, the coal prices are going to really affect what Duke Energy and some of the other utilities can do, and they're forced to go to natural gas on these combination cycle and turbine -- gas turbine plants. It drastically increases the price of the gas because they're not putting in storage in the summer when the utility is using it to -- for the peak.

And I think all of those things are going to be a challenge on how to get some balance out of that. It keeps the cost of doing business in South Carolina from just continuing to rise.

REPRESENTATIVE SANDIFER: Okay. And you've talked in the last little bit about the electric industry and the gas industry. Is there anything else that the PSC is involved in?

MR. KNOTT: Transportation of household goods, taxes, telecommunications.

REPRESENTATIVE SANDIFER: Okay. All right. I just wanted to make sure that --

MR. KNOTT: Right.

REPRESENTATIVE SANDIFER: -- that you understood it was a much broader scope than what you initially may have described.

MR. KNOTT: My understanding of it is the three that are -- that I've been involved with, not to say that those are the most critical, but that's what I think most of my involvements do.

REPRESENTATIVE SANDIFER: Okay. And are you familiar with the Office of Regulatory Staff?

MR. KNOTT: Yes. Somewhat.

REPRESENTATIVE SANDIFER: Give me a characterization, if you will, of how you see the PSC and the ORS interacting.

MR. KNOTT: I think the PSC is just charged with kind of acting as a judge in rate cases, particularly with the larger utilities, and the regulatory staff is charged with deciding technical aspects, is the rate that they're probing going to be -- going to have parity across rate classes and not be detrimental to industry or to consumers -- residential consumers or not putting an excessive burden on trying to obtain jobs and manufacturing the business facilities in South

Carolina.

REPRESENTATIVE SANDIFER: Okay. One final question. Will you explain to me what the Universal Service Fund is.

MR. KNOTT: The way I understand it, it's a fund that provides charges on everyone's telecommunications or telephone bill, cable bills to provide 911 service and free calls for emergency services from residences -- single family residences without having to pay for a total phone bill.

REPRESENTATIVE SANDIFER: Okay. All right. That's all have I, Mr. Chairman.

Thank you very much, Mr. Knott.

CHAIRMAN HUTTO: Any other questions?

Thank you for being here this afternoon.

MR. KNOTT: Thank you. Appreciate your time.

(Excused from the PSC screening.)

CHAIRMAN HUTTO: Okay. That's all the candidates for the fifth district, so we'll go into executive session to make our discussions about that. We'll come back to the at-large in just a minute.

(The PSC screening was continued under a separate restricted record.)

* * * * *

3:19 p.m.

CHAIRMAN HUTTO: Good afternoon.

MR. MOSELEY: Yes, sir.

CHAIRMAN HUTTO: The court reporter is going to swear you in.

MR. MOSELEY: Thank you.

(Candidate sworn.)

CHAIRMAN HUTTO: Nancy has got some questions for you.

MS. COOMBS: Good afternoon, Mr. Moseley.

MR. MOSELEY: Yes, ma'am.

MS. COOMBS: Would you please state your full name and address for the record.

MR. MOSELEY: Charles Robert Moseley. 109 Walnut Court, Columbia, South Carolina, 25 -- 29212.

MS. COOMBS: Mr. Chairman and members of the subcommittee, Mr. Moseley states in his Personal Data Questionnaire that he's a 1971 graduate of the South Carolina Bankers School and a '73 graduate of Louisiana State University School

of Banking, and he also attended Columbia College from 1960 to '62.

Mr. Moseley has been a member of the Public Service Commission since 1998. From 1979 until 1988 Mr. Moseley was president of Irmo Insurance Agency, and from 1972 to 1979 he was vice president of the Bank of Commerce Southern Bank and Trust in Irmo. From 1969 to 1972 Mr. Moseley was a loan officer at the Hampton County Bank in Varnville, and from 1969 to -- '64 to 1969 he worked as a bank examiner at the South Carolina Board of Financial Institutions. From 1960 to 1964 he worked at the South Carolina National Bank in customer service. Mr. Moseley was in the South Carolina National Guard -- Air National Guard from 1961 to 1967 and received an honorable discharge.

Mr. Moseley, do you have any changes that you need to make to your Personal Data Questionnaire?

MR. MOSELEY: No, ma'am.

MS. COOMBS: And I would request that Mr. Moseley's Personal Data Questionnaire be entered into the record redacting any confidential information.

And for the record I would like to state that a credit check, driver's check and SLED check revealed no negative information for Mr. Moseley.

And, Mr. Chairman, I would also request that Mr. Moseley's performance reviews be entered into the record pursuant to Section 58-3-530 of the Code.

And, Mr. Moseley, before we begin questioning up here, would you like to make a brief statement to the subcommittee?

MR. MOSELEY: Yes, ma'am. I've enjoyed the Commission. I was on it in '98. We've had a lot of changes since then. I assume you know all about that back in the 2000 series with the things that happened. We came under 175. But I enjoyed it. It's challenging. It was a lot to learn. It was a lot to learn in '98.

And I think we've got a program set up now for new commissioners coming in. We have more in-house training, and we go to the camp NARUC and -- NARUC and SERUC and any schools that are available the staff, Mr. Sandifer and the other staff has encouraged us to go to that and further our education and everything. We have a good staff at the Commission, good director. I call him the

director. They call him the clerk, but I still called him the director back in '98, Charlie Terreni.

MS. COOMBS: Mr. Moseley, in your PDQ you stated, as I just summarized earlier, that you attended the Louisiana State University School of Banking, and was this a -- was this the traditional college --

MR. MOSELEY: School of Banking for the south. It's a three year school, two weeks each summer. All -- most bankers in the southeast go there. And South Carolina had its own banking school. It started in the '70s.

MS. COOMBS: Okay. So it's a program sponsored by --

MR. MOSELEY: Bankers.

MS. COOMBS: -- bankers that's held at LSU?

MR. MOSELEY: Yes, ma'am.

MS. COOMBS: Okay. So --

MR. MOSELEY: It's not a BA or BS like you get in regular year colleges --

MS. COOMBS: Okay.

MR. MOSELEY: -- but it's mostly banking experience we get there.

MS. COOMBS: Okay. So you don't receive a degree for that; it's just a certificate --

MR. MOSELEY: I've got a degree coming --

MS. COOMBS: Oh, you do?

MR. MOSELEY: -- in South Carolina too. It's not like a college degree.

MS. COOMBS: But it's like a certificate or --

MR. MOSELEY: Yes, ma'am.

MS. COOMBS: Okay.

MR. MOSELEY: Okay. All that would be -- it should be this week.

MS. COOMBS: Okay. Would you please describe an ordinary workday for you at the Commission.

MR. MOSELEY: Yes, ma'am. Usually we have our notebooks ready for us on Friday which contains the work for the next week. We have an addenda meeting on Tuesday. Three commissioners meet. It's usually myself, Dave Wright and Randy Mitchell meet together. We only meet in threes, and we review the items for the Wednesday meeting, and then we go over anything else pertinent to the

week.

We stay on the computer, e-mails, cell phones, whatever information we need to be talking to the staff all day Monday, Tuesday, Wednesday, Thursday, when we have work there. I'm at the Commission almost every day.

MS. COOMBS: And how do you prepare for a hearing?

MR. MOSELEY: Well, we take the -- the docket we got and with all the material there from -- the staff has done, and then we meet with our staff people, accountants, our lawyers, our technical people, whether it's a telecom or electric case and talk to them, sit down and go over everything, read everything. If there's a settlement coming into the regulatory staff, we review that too.

MS. COOMBS: About how long does it take to prepare for -- for an electric rate case?

MR. MOSELEY: It could take a week. Whenever we get the information in, testimony from different parties and everything, we review all that, read all that, and then we talk about it, talk to our staff and everything, take a week, take two weeks. Sometimes we have to wait on some of the testimony to come in for the last time, and if it's a settlement, we usually don't get a settlement maybe three, four days before we get a hearing, so we have to kind of adjust how we do things here.

MS. COOMBS: And what about for a telecommunications hearing?

MR. MOSELEY: Basically the same thing.

MS. COOMBS: And a water case?

MR. MOSELEY: Water case is about the same thing. We have a lot of night hearings on water cases. We had about ten or 11 night hearings last year throughout the state, and that's a little different sometimes because you get a lot of input from the public, witnesses and everything, and then they testify -- they usually can't testify again because they're part -- party to it and they've already testified and sworn in and so you can't go again. So we always bring that up on the night hearing that, If you testify here, you can't come to the other. Some of them don't like that, but that's the law.

MS. COOMBS: Okay. And what about a natural gas case; is it about the same as the others?

MR. MOSELEY: Yes. Yes, ma'am, same thing.

MS. COOMBS: What type of contact do you with have the Commission staff?

MR. MOSELEY: I think it's good. I never had any complaints unless y'all had some.

MS. COOMBS: And how do you --

MR. MOSELEY: You talking about --

MS. COOMBS: With your -- with your advisory staff, the type of contact you have.

MR. MOSELEY: Yes, ma'am. We do not have annual staff at each commission. We share commissioners. Some states have individual staffs, but we do not have. We have a secretary, but we share the accounting. We share the telecommunication, electricity and legal.

MS. COOMBS: And -- and how do you interact with your staff?

MR. MOSELEY: Well, we have questions we ask. We sit down on one-on-one and go over problems that we have in the rates or just general discussion with them on anything that we do.

We have a very knowledgeable staff. We are fortunate to have an accountant who has been with us about 28, 29 years. I hope he doesn't retire in the next three or four years. Our telephone number was retired from BellSouth. We were fortunate to get him. He had 30 years experience. Our electric man, Bill Riley, had worked with an electric company up in Pennsylvania, so we've got outside experience and everything. I think it's real good for us.

MS. COOMBS: Okay. And could you explain -- explain the Commission's role in public utility regulation and why -- why y'all regulate these public utilities?

MR. MOSELEY: Well, we regulate public utilities to be sure that the public has a fair rate on what they're paying each month just like me, and also we've got to realize that the utility company has got to make a fair profit to stay in business there. They're under a lot of federal guidelines and everything now.

MS. COOMBS: And could you explain I guess in a little more detail how the Commission regulates telecommunications companies.

MR. MOSELEY: Well. Well, we -- we go under the laws of state of South Carolina based on the Universal Service Funds or whatever comes before the Commission on that. I'm kind of -- what

are you asking? I hope I'm answering what you're asking, but I don't know whether I'm getting the right question -- answer you want.

MS. COOMBS: Well, I just wanted to know how -- how -- what the Commission does in regulating telecommunications companies.

MR. MOSELEY: Well, we listen to the testimony that comes to us in hearings and everything. We meet with staff and review that and everything.

MS. COOMBS: And what types of indications are these?

MR. MOSELEY: Telecommunications?

MS. COOMBS: Uh-huh.

MR. MOSELEY: Resellers mostly. But we have a hearing officer doing that right now. We don't have as many telecommunications cases as we used to.

MS. COOMBS: Okay. Does the Commission ever set rates for -- or have -- has the Commission set rates for basic telephone service in the past?

MR. MOSELEY: It's been a while since we've done that.

MS. COOMBS: Okay. If you were approached by someone wanting to discuss a matter that is an issue in a pending proceeding or is an issue that becomes a matter in the future, what -- how would you handle that situation?

MR. MOSELEY: Well, we had a case the other day at a hearing. It was not a traumatic thing, but we had people with -- the environmental people. Florida state was there on a Wednesday meeting, 2:30 meeting, and they had cameras and everything. So we were standing in the back room. They were trying to get us to make comments, and I pointed to Charlie sitting right over because we do not talk to anybody like this, and Charles went over and talked to them to see what they wanted. I don't have any problem. I don't usually talk to utility companies about anything before the Commission.

MS. COOMBS: And are you familiar with the advisory opinion that the Review Committee issued dealing with attendance by candidates at legislative sessions?

MR. MOSELEY: Yes. Yes, ma'am, I talked to you about that when I met with you the other day because I was planning on going to something, but we couldn't do it. So I think Mr. Hutto had made a statement when I talked to you

that he didn't want us attending anything, and that's what I did. All the commissioners as far as I know had no communication or gone to any receptions.

MS. COOMBS: You haven't gone to any?

MR. MOSELEY: No. No.

MS. COOMBS: All right. Mr. Moseley, you served on the Commission before Act 175 and after Act 175 was enacted.

MR. MOSELEY: Yes, ma'am.

MS. COOMBS: When you were first elected, can you tell the subcommittee, was the job what you expected it to be when you were first elected in 1998?

MR. MOSELEY: Well, I got a shock of my eyes open when I got there because I didn't know what was going on in '98. It takes about two to three years. At that time we were not going to the schools and everything that new commissioners are going to now, and so we were kind of behind on that when they came in. But then when we got through with that, we come up with the 175 act, and I think that's been a good thing for us, I really do.

MS. COOMBS: And I'm assuming that you thought the job changed a good bit when you went to 175 --

MR. MOSELEY: Yes, ma'am, there was no interaction. We were -- what Dukes did -- we had all that one in one hopper then. Dukes was with us and he went over to the regulatory staff. So the old cases that everything was brought to us was entirely different. We couldn't -- we didn't intermingle with the utility companies. It was just entirely -- I think it's a lot better.

MS. COOMBS: And how do you think you've done since you were elected to the Commission?

MR. MOSELEY: Well, I think I've done fine. I still got a lot of learning experience out there. I took all my classes. I got appointed to the LNG committee this year. I was on the gas prior, but I got off that when O'Neal came on because O'Neal was on the county council and city council and he had more experience in gas. So I moved from telecommunications and I got appointed by the former chairman of the gas committee to be on the LNG committee, I accepted that.

MS. COOMBS: Please answer any questions that members of the subcommittee --

MR. MOSELEY: Let me -- may I have a

little water?

CHAIRMAN HUTTO: Sure.

MR. MOSELEY: Go ahead, sir.

CHAIRMAN HUTTO: What continued involvement, if any, do you have in your insurance company?

MR. MOSELEY: None. My son is president.

CHAIRMAN HUTTO: Okay.

MR. MOSELEY: If I do anything there, it's cleaning the floors and vacuuming on the weekend. We do that usually, but it doesn't interfere with my -- a hundred percent of my work is with the Public Service Commission.

CHAIRMAN HUTTO: Okay. And so when you're not working at the Public Service Commission, what type of --

MR. MOSELEY: I go home.

CHAIRMAN HUTTO: All right. What kind of activities do you do in the community or your church?

MR. MOSELEY: Well, I go to Lillian Hill Baptist. I've got a 13 year old daughter. Y'all probably don't have one that young being my age. I have a 40 year old son and two grandchildren. But we're into softball. She's on the JV softball for Irmo High School in seventh grade. She's pretty good.

And on the Rotary Club. I'm in the Ruritan Club, and I'm -- that's what I do as far as community activities. I don't have much time. My mother is in the nursing home. That keeps me busy. If you ask any other commissioners, they know about me.

CHAIRMAN HUTTO: What -- you said you went from the gas committee on NARUC to the telecom and then back to the LN --

MR. MOSELEY: LNG. That's Liquefied Natural Gas.

CHAIRMAN HUTTO: And what you do with them right now?

MR. MOSELEY: Well, we just -- it's a new -- I'm a vice chairman. We have two in the whole United States, and I'm representing the southeast and everything. We have Liquefied Natural Gas down in Savannah, and there's another one up in Greensboro which is Piedmont Natural Gas.

We hadn't had any meetings, but there's a lot of interaction on it and everything and a lot of books and things to read because some -- LNG is

transporting mainly from Africa, Indonesia and those countries on large tankers and everything. And -- and Hilton Island is the one for that. We will be touring that facility and -- with our summer SERUC which George is in charge of this year. If y'all would like to go, we'd like to have some of you down there. It's kind of interesting I think. I've never done that before.

CHAIRMAN HUTTO: Okay. Answer any questions Mr. Sandifer may have.

MR. MOSELEY: Yes, sir.

REPRESENTATIVE SANDIFER: Thank you, Mr. Chairman.

Mr. Moseley, it sounds like you've got the same problem I've got, and I know talking is difficult.

MR. MOSELEY: Yes, sir.

REPRESENTATIVE SANDIFER: Very few questions. I realize that you've been here before Act 175, as I have.

MR. MOSELEY: Yes, sir.

REPRESENTATIVE SANDIFER: Was it more fun before or is it more fun after?

MR. MOSELEY: I'd say after. I really do.

REPRESENTATIVE SANDIFER: And in -- in saying that I recognize the fact that the role of the Commission has changed rather dramatically. Is that beneficial to the people of South Carolina or not?

MR. MOSELEY: I think it is, yes, sir.

REPRESENTATIVE SANDIFER: And in what way?

MR. MOSELEY: Sir?

REPRESENTATIVE SANDIFER: In what way?

MR. MOSELEY: Well, I -- I think we've got a separate agency over there that's -- Dukes and those do a good job preparing their cases and everything. We have a good working relationship with them. And I think they're looking out for the rate payer, and they're analyzing all the statistics and everything they have to get from the utility companies.

REPRESENTATIVE SANDIFER: Okay. And you -- you talked about the almost weekly meetings that three of you and never more than three because of FOIA, and I think we all understand that. But you indicated that you, Commissioner White and Commissioner Mitchell generally meet. Is there a reason that it is those

particular three?

MR. MOSELEY: No, sir. I mean, we didn't draw straws. I mean, we just -- you know, Randy and I are close friends. We've been on since '98. Dave lives in Columbia. Randy lives in Saluda.

REPRESENTATIVE SANDIFER: So more convenience than anything else?

MR. MOSELEY: We swap off sometimes. In the event that I've got something that I can't be at the Tuesday meeting at 11 o'clock, I do a 1:15 in O'Neal's place or vice versa, you know. It -- but most of the time it's the three of us meeting.

REPRESENTATIVE SANDIFER: Okay. And then I know that the ORS -- one of the things that they have done a lot of is proposed settlements to y'all. As a general rule have y'all endorsed or accepted the settlements made by the ORS?

MR. MOSELEY: Almost, yes, sir.

REPRESENTATIVE SANDIFER: Okay.

MR. MOSELEY: And that's a good -- it fits good with us. Sometimes we don't get the agreement as early as I'd like to because -- in terms out doing other cases, so we have to regroup on what we're doing, the questions we have prepared and everything as to the hearings. We've got to do that.

REPRESENTATIVE SANDIFER: Okay. And my final question -- and I want to follow up on the chairman's question about the committee that you're on with NARUC and SERUC, and I know that you've moved from one to another. The question I have for you, is moving and therefore becoming versed in different subject matter beneficial to you professionally and to the state of South Carolina?

MR. MOSELEY: Yes, sir. I thought at one time not being on the Committee and just kind of rolling around because you can go to different cities and everything, water and sewer and put your hours in water and sewer. Randy Mitchell is on telecommunication. O'Neal is on gas. Fleming is on infrastructure and this type stuff.

So it would give you -- once you're on the Committee, you stay on your committee -- I think you made one of our NARUC meetings in New York. You don't go around and move. You don't have time.

REPRESENTATIVE SANDIFER: Right.

MR. MOSELEY: And that's kind of a

hindrance there. It would be nice to float around a little bit.

REPRESENTATIVE SANDIFER: Okay. So you think that by your serving on three different ones at various times it has been beneficial?

MR. MOSELEY: Yes, sir, it sure has.

REPRESENTATIVE SANDIFER: Okay. Thank you.

That's all the questions I have, Mr. Chairman. Thank you.

CHAIRMAN HUTTO: Okay. Thank you for being here.

MR. MOSELEY: I appreciate everything. It's a lot better this year than last year.

(Excused from the PSC screening.)

CHAIRMAN HUTTO: All right. We got one more.

3:39 p.m.

CHAIRMAN HUTTO: Good afternoon.

MR. WHITFIELD: Good afternoon.

CHAIRMAN HUTTO: The court reporter will swear you in.

(Candidate sworn.)

CHAIRMAN HUTTO: Jennifer has some questions for you.

MS. ROBINSON: Good afternoon, Mr. Whitfield. Please state your name and address for the record.

MR. WHITFIELD: Swain Whitfield. 111 Howell Road, Blythewood, South Carolina.

MS. ROBINSON: Thank you.

Mr. Chairman and members of the committee, Mr. Whitfield received a bachelor of arts degree in geography from the University of Georgia in 1986 focusing on economic and industrial geography. Mr. Whitfield began working for Laidlaw Carriers in Atlanta, Georgia, following graduation from college. From 1987 to '90 he was employed by Youmans Transportation, Incorporated, in West Columbia. Following Youmans Mr. Whitfield handled operations and customer service for Senn Trucking Company in Newberry. In 1991 Mr. Whitfield founded Whitfield Transportation, Incorporated, in Blythewood, and he currently manages and operates Whitfield Transportation. Mr. Whitfield served on the Winnsboro City Council between 1995 and 1999, during which time the city took over wastewater service from a private firm and expanded gas and electric service.

Mr. Whitfield, have you had a chance to

review your Personal Data Questionnaire?

MR. WHITFIELD: Yes.

MS. ROBINSON: Would you like to make any changes at this time?

MR. WHITFIELD: No changes at this time.

MS. ROBINSON: I would request that Mr. Whitfield's Personal Data Questionnaire be entered into the record with any confidential information such as Social Security Number and financial statement being redacted.

For the record I'd like to state that a credit and SLED check revealed no negative results from Mr. Whitfield.

Mr. Whitfield provided his driver's license and voter registration card for proof of his residence in the at-large seat.

Before we begin today, would you like to make a brief statement before the committee?

MR. WHITFIELD: Yes, Ms. Robinson, I would if I could for just a moment.

First of all, I'd like to thank all of you for allowing me to be here. It's a privilege to be here today.

For those of you ladies on the committee, I was told by one or two of my five letters of recommendation that they mistakenly addressed the committee as gentlemen, so I apologize for that and to you ladies on the committee at this time. But they didn't know who they were addressing at that point, but they mentioned that to me later.

I'd like to just mention I was born in Columbia, South Carolina, in 1963. Obviously Ms. Robinson has given you a good bit of background on me. I won't go into that a lot except to say that I have a keen and always have had a keen interest in the economic development, particularly in this state.

Years ago I just about left the transportation industry which I've been in for 22 years and considered going to work in the economic development field with formerly the State Development Board, of course you now is now the Department of Commerce and considered that many, many years ago, but I still -- I've been in this industry for 22 years, in the transportation industry, that is, and 16 years as a business owner. And I hold two types of federal operating authority and I'm subject to massive federal

regulation and have had to operate under those constraints for many, many years in order to run a business profitably and meet payroll and payroll taxes and so forth.

I would also like to say that the state of South Carolina is at a unique time now that we have people coming down from -- we have -- over the last 20 years we've had people coming in from other areas moving into our state, and population growth brings challenges that we will have to face in the future, the challenges of the needed infrastructure, some of which is regulated by the Public Service Commission.

And I would like to say that I think that my background over the last 22 years lends itself strongly to the Commission and that I would be an advocate for the future needs that need to be met with our state. I realize that our utilities have to operate in a margin that they can survive but at the same time provide the quality of service that our citizens need so badly. And those demands are only going to be increased as the increasing population comes this way.

And I would also like to say with the job growth particularly now with what's going on now currently, we -- the state is in desperate need of jobs, and to get our manufacturing, as well as our high tech industries back going again, and with those -- with that background, it's led me to pursue this, and I think I would be a great match for it.

MS. ROBINSON: Thank you,
Mr. Whitfield.

Kind of maybe to follow up on why you would like to serve on the Commission.

MR. WHITFIELD: What I just touched on toward the end there, that I think my background lends itself to this agency. I've been subject to regulation from a federal standpoint, and actually up until 1993 or '94, the Public Service Commission did regulate my industry until that was changed in the government Restructuring Act of 1993 that took effect in '94. And of course I know you've had massive changes with Act 175 in 2004.

MS. ROBINSON: Thank you. Have you attended any hearings at the Commission?

MR. WHITFIELD: Ms. Hammond mentioned that I might attend one, or recently when I turned in my paperwork. I have not. I have only seen a few that were settlement agreements that allowed me

to attend in the recent time constraints, but I read some of the decisions. And she did suggest that, but I have not for the time schedule or really haven't seen one that was a big contested case that would be -- that I had gone to. So, no, I have not attended one recently.

MS. ROBINSON: Thank you. You've answered my next question whether you've read any Commission decisions.

If you're elected, how would you get up-to-speed on the issues confronting the Commission?

MR. WHITFIELD: Well, I understand that -- I think it's Michigan State University I read has a training program that's mandatory for all new candidates. It looks like a two week program. It's pretty intense. And I understand there are a lot of associations both regional and national that put out publications and have educational forums from time to time that -- that commissioners and -- both incumbent commissioners or newly elected commissioners attend.

MS. ROBINSON: Assuming you're elected to the Commission and someone approaches you and would like to talk to you about either a pending issue before the Commission or an issue that may come before you at the Commission, how would you handle that situation?

MR. WHITFIELD: I would simply tell them that I could not discuss it, period.

MS. ROBINSON: Thank you. On your PDQ you stated that you served on the John De La Howe Board. This position is appointed and confirmed by the South Carolina Senate. When we talked about it in the interview, you stated that you would resign if elected to the Public Service Commission. Is that still the case today?

MR. WHITFIELD: Correct. I understand that I would have to resign, and I have already notified our board chairman and our superintendant of the John De La Howe School, Mark Williamson. Both have been notified.

MS. ROBINSON: Thank you. Also in your PDQ you stated that you own a small amount of SCANA stock. We also talked about that in our interview. You say that you would divest yourself of that stock. Is that still the case today?

MR. WHITFIELD: Yes, ma'am. It's a very small amount, and I -- I would divest myself of that.

MS. ROBINSON: Okay. Thank you. Finally on your PDQ you stated that you gave a hundred dollars to Representative Adam Taylor. Can you tell me when you gave that money, and if so, was it for or after you filed for the Commission?

MR. WHITFIELD: It was both before I filed for the Commission. I want to -- I think that was back in the fall. He had some type of an event in, I want to say, September or October. It did fall in the six month period because I pulled every everything we had on our computer, and that's the only thing I can find.

MS. ROBINSON: Okay. Thank you. Are you familiar with the advisory opinion issued by the Review Committee dealing with attendance at legislative receptions?

MR. WHITFIELD: Yes, ma'am, I am.

MS. ROBINSON: Have you attended any legislative receptions since receiving the advisory opinion?

MR. WHITFIELD: No, ma'am, I have not.

MS. ROBINSON: Thank you. Answer questions by the committee.

CHAIRMAN HUTTO: How big is Whitfield Transportation and the related other business that you run?

MR. WHITFIELD: Senator Hutto, we're a small business in the truest sense of the form. We have five office employees. At one time I had an agency office in Atlanta and one in Tennessee. I don't have those anymore. But we have five office employees here in South Carolina, and we have eight over-the-road truck drivers which operate in our trucking division which is under a separate authority.

But we're -- we're a small company. Our office personnel mostly deals with brokerage matters, and unfortunately they have to spend some time on the trucking side too.

CHAIRMAN HUTTO: Okay. And what does the MSW Group -- what type of rental properties do you have?

MR. WHITFIELD: We have some -- a couple of condos down here at USC that are rented by college students. It's handled by a property management firm so we don't have to be involved in the day-to-day affairs of it. At one time we rented a few storage trailers out of there, but not -- that's not a big business, and I'm actually in the process of selling the rest of those off.

CHAIRMAN HUTTO: And so when -- when -- as far as your day-to-day work, you work at the transportation company?

MR. WHITFIELD: Yes, sir.

CHAIRMAN HUTTO: Okay.

MR. WHITFIELD: Yes, sir.

CHAIRMAN HUTTO: And when you're not at work, what type of community or church involvement are you active in?

MR. WHITFIELD: I'm a member of Centennial Associate Reform Presbyterian here in Columbia. I grew up Zion Presbyterian in Winnsboro, South Carolina, but I've been a member of Centennial here in Columbia about five years. And I'm also a member of Blythewood Rotary, a member of Blythewood Ducks Unlimited, and several other civic and charitable organizations.

CHAIRMAN HUTTO: Do you live in Fairfield County or Richland County?

MR. WHITFIELD: That's a good question. I live just barely in Richland County, residence, but my business is just barely in Fairfield County. So right on the line.

CHAIRMAN HUTTO: Is Blythewood itself -- which county is it in? Is it in both?

MR. WHITFIELD: Blythewood itself, the municipality, is actually in Richland, but recently they stretched the boundaries into a piece of Fairfield and they had an issue with the landfill up there. And they did go into Fairfield just a little bit, but it's primarily in Richland County.

CHAIRMAN HUTTO: Okay. Answer any questions that Mr. Sandifer may have for you.

REPRESENTATIVE SANDIFER: Thank you, Mr. Chairman.

And, Mr. Whitfield, I'm going to ask you a little bit along the same line that chairman asked you about just then in your PDQ. It indicates that you ran for the House of Representatives twice but in two different seats. Did your residence change or did the seats change? Because I know as a result of the 2000 census some seats moved around a little bit here in the greater Columbia area.

MR. WHITFIELD: Yes, sir, Representative Sandifer. That's a good question. But, no, my residence is what changed. I'm originally from Winnsboro, and I served on city council there from 1995 to 1999. I previously ran for the House up there, and that was in 1992. That

was House Seat 41.

And I've had a long, interesting public service, and as you have stated, I've sought the House twice. I ran for that seat in '92, then later ran for and won a city council seat and served a full four year term. And my wife now works in Richland School District Two, and we moved down to Blythewood in -- let's see. I got off city council in '91. We moved to Blythewood in 2000, 2001 -- early part of 2001. She works at the new Blythewood High School.

And I'd been out of politics for several years. In '04 I decided to seek House Seat 77 and received 5,400 votes but still didn't get across the finish line.

REPRESENTATIVE SANDIFER: Okay. That's fine. Thank you. I was just trying to match the numbers up.

And I'm in agreement with you about the population growth. I think that the coming years are going to see a tremendous increase. In that regard, what role would the PSC play in assuring infrastructure?

MR. WHITFIELD: Well, the PSC would have to render decisions that would be both fair to our citizens, our consumers, rate payers and also fair to the utilities that they regulate so that the utilities can -- could survive, and also that the rates that the rate payers and consumers are paying are comparable or, if you will, good -- good, fair rates so that we'll have business and industry and citizens that will want to move here with good power supply and good utility supplies, not just power.

REPRESENTATIVE SANDIFER: Okay. And you just talked a little bit about the various aspects of the responsibility. Would you characterize for me the relationship that you see between the PSC and the Office of Regulatory Staff.

MR. WHITFIELD: That -- that's a good question. I -- I have been reading up on that, and part of what interested me initially, I know PSC used to handle some of the consumer complaints, and now that that's all been changed with Act 175 and it looks like that ORS is completely and must be by law separated from PSC -- and of course I understand that by law they have to be in separate locations, separate buildings.

And ORS from what I can gather is more the regulatory body that performs inspections and

audits and things of that nature, and PSC actually acts as the court that would hear these cases that are contested.

REPRESENTATIVE SANDIFER: Okay. And would you explain to me what the Universal Service Fund is.

MR. WHITFIELD: Universal Service Fund has to do with the telephone service that -- they fund it to provide that everybody has basic telephone service, basic service, and it also helps -- has four main components, but one of the ones that it does is help -- high density areas that have the service help it be more -- to help it become more affordable or offset, if you will, some of the lower density areas where they provide service in rural areas.

It also is there to help schools and libraries and medical -- medical facilities provide information out to rural areas and to help offset some of the cost where it's cost prohibitive to provide that infrastructure maybe in some rural areas.

REPRESENTATIVE SANDIFER: Okay. And I'm going to follow up on one question that the chairman asked you or maybe Ms. Robinson about the contribution to Representative Taylor. I'm assuming that since he's not running, you'd like to have that back.

MR. WHITFIELD: I just heard that recently. Yes, sir, that would be nice.

REPRESENTATIVE SANDIFER: Mr. Chairman, that's all the questions I have. Thank you very much.

CHAIRMAN HUTTO: Thank you for -- is this your family that came in behind you here?

MR. WHITFIELD: Okay. They did make it. That's my wife and my -- my mother and father-in-law, Ed and Frances Mills, and my wife Amy.

CHAIRMAN HUTTO: Okay. Well, we're sorry we rushed the schedule, but he did -- he did fine.

MR. WHITFIELD: I also -- excuse me. I also have a friend Mike Duncan who is an elder at my church sitting beside my father-in-law.

CHAIRMAN HUTTO: Okay. Well, thank you for being here today this afternoon and thank you for your testimony.

MR. WHITFIELD: Yes, sir. Thank you.
(Excused from the PSC screening.)

CHAIRMAN HUTTO: I guess that's the end of the at-large screening, so we need to go back in executive session.

(The PSC screening was continued under a separate restricted record.)

* * * * *

CHAIRMAN HUTTO: Anybody out there?

MS. HAMMOND: There may be.

CHAIRMAN HUTTO: Let the record reflect the door open is. We're in public session and we stand adjourned.

(The PSC screening was concluded at 4:13 p.m.)

CERTIFICATE OF REPORTER

I, Yvonne R. Bohannon, Registered Merit Reporter, Certified Realtime Reporter, and Notary Public for the State of South Carolina at Large, do hereby certify:

That the foregoing transcript was taken before me on the date and at the time and location stated on page 1 of this transcript; that the deponent was duly sworn to testify to the truth, the whole truth and nothing but the truth; that the testimony of the deponent and all objections made at the time of the examination were recorded stenographically by me and were thereafter transcribed; that the foregoing deposition as typed is a true, accurate and complete record of the testimony of the deponent and of all objections made at the time of the examination to the best of my ability.

I further certify that I am neither related to nor Council for any party to the cause pending or interested in the events thereof.

Witness my hand, I have hereunto affixed my official seal April 21, 2008, at Columbia, Richland County, South Carolina.

Yvonne R. Bohannon
Registered Merit
Reporter, CRR
My Commission expires
April 11, 2015

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